

# *Texas Department of Criminal Justice*



## *Annual Financial Report*

*for year ending August 31, 2019*





**ANNUAL FINANCIAL REPORT**

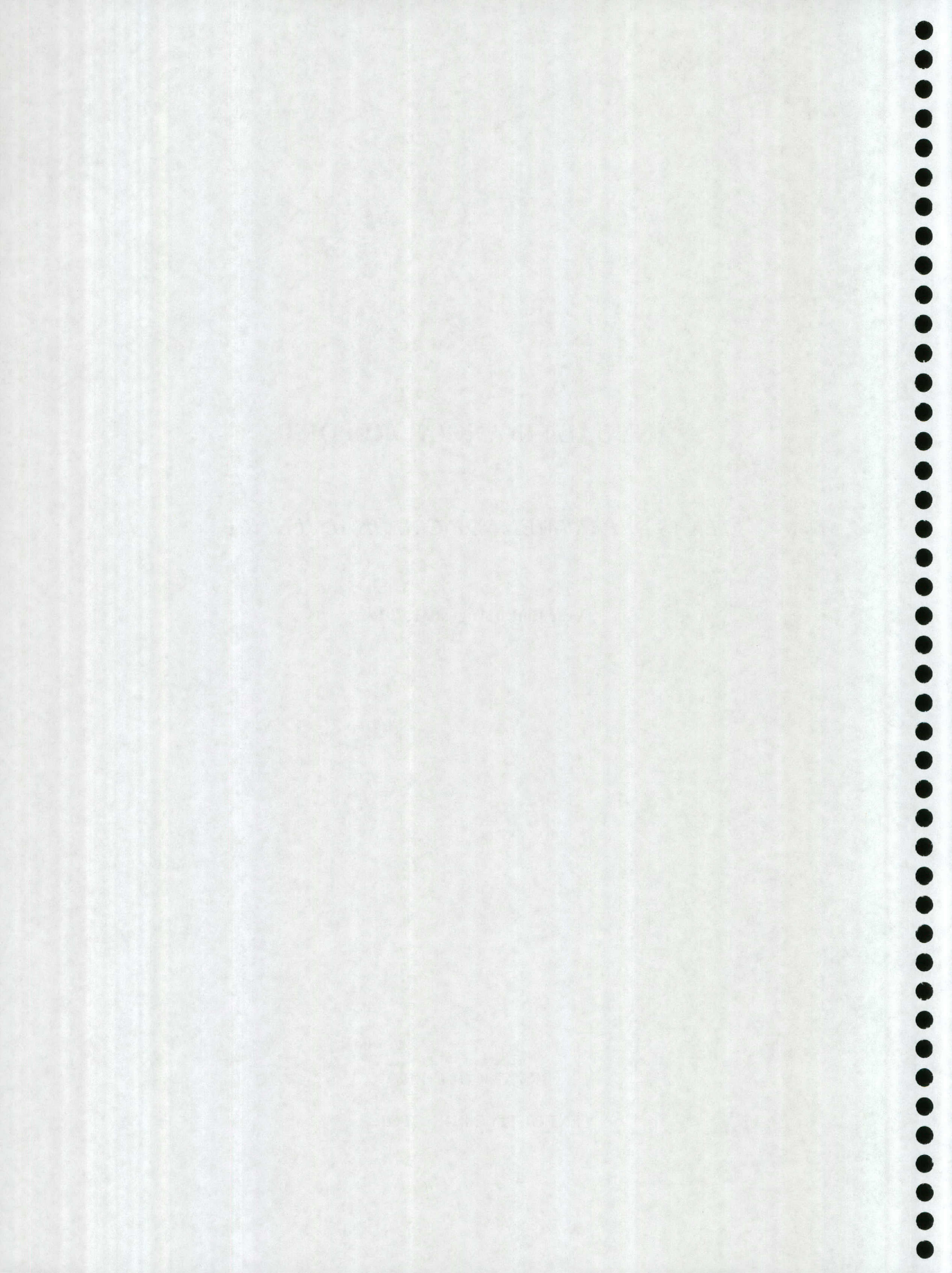
***TEXAS DEPARTMENT OF CRIMINAL JUSTICE***

**Year Ended August 31, 2019**

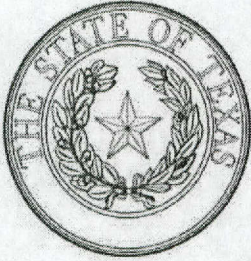
**BRYAN COLLIER**

**EXECUTIVE DIRECTOR**









## Texas Department of Criminal Justice

**Bryan Collier**  
Executive Director

November 19, 2019

The Honorable Greg Abbott, Governor  
The Honorable Glenn Hegar, Texas Comptroller  
Lisa Collier, First Assistant State Auditor  
Legislative Budget Board

We are pleased to submit the Annual Financial Report of the Texas Department of Criminal Justice for the year ended August 31, 2019, in compliance with TEX. GOV'T CODE ANN § 2101.011 and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying Annual Financial Report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions concerning the Annual Financial Report or Schedule of Expenditures of Federal Awards, please contact Jennifer Gonzales, at 936-437-6414.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Collier", written over a horizontal line.

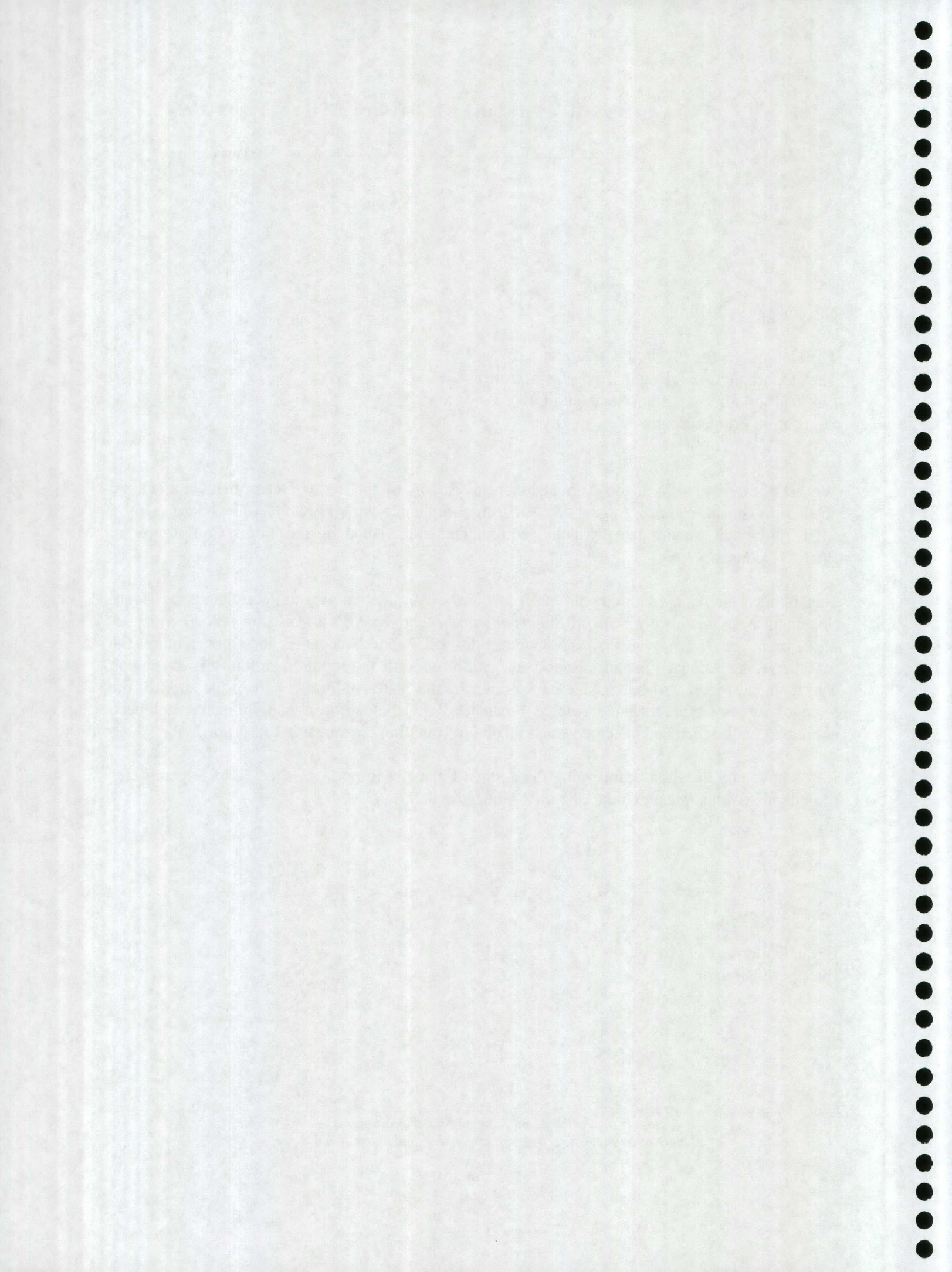
Bryan Collier  
Executive Director

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*Our mission is to provide public safety, promote positive change in offender behavior, reintegrate offenders into society, and assist victims of crime.*

P.O. Box 4015  
Huntsville, Texas 77342-4015  
936-437-2101  
[www.tdcj.texas.gov](http://www.tdcj.texas.gov)







**TEXAS DEPARTMENT OF CRIMINAL JUSTICE**

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**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

**EXHIBIT I - COMBINED BALANCE SHEET/STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS**  
**August 31, 2019**

	GOVERNMENTAL FUND TYPES		GOVERNMENTAL FUNDS TOTAL
	GENERAL FUNDS	SPECIAL REVENUE FUNDS	
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash (Note 3)			
Cash on Hand	\$ 500.00	\$	\$ 500.00
Cash in Bank	727,375.00	696,084.99	1,423,459.99
Cash in State Treasury	998,438.86		998,438.86
Cash Equivalents (Note 3)		11,193,807.12	11,193,807.12
Legislative Appropriations	342,096,566.88		342,096,566.88
Receivables from:			
Federal	141,210.90		141,210.90
Accounts Receivable	13,081,518.71	70,050.74	13,151,569.45
Due From Other Funds	22,436.79	1,037,962.23	1,060,399.02
Due From Other Agencies	2,731,322.39	383,884.62	3,115,207.01
Consumable Inventories	75,719,124.62	199,367.84	75,918,492.46
Merchandise Inventories	52,730,476.00		52,730,476.00
Prepaid Items	54,788.25		54,788.25
<b>TOTAL CURRENT ASSETS</b>	<b>488,303,758.40</b>	<b>13,581,157.54</b>	<b>501,884,915.94</b>
<b>NON-CURRENT ASSETS:</b>			
Capital Assets (Note 2):			
Non-Depreciable or Non-Amortizable			0.00
Depreciable or Amortizable, Net			0.00
<b>TOTAL NON-CURRENT ASSETS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL ASSETS</b>	<b>488,303,758.40</b>	<b>13,581,157.54</b>	<b>501,884,915.94</b>
<b>DEFERRED OUTFLOWS</b>			
<b>TOTAL DEFERRED OUTFLOWS</b>			
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES:</b>			
Payables from:			
Accounts	89,366,132.10	137,103.23	89,503,235.33
Payroll	170,189,556.18	631,824.02	170,821,380.20
Contracts	1,207,923.56		1,207,923.56
Due To Other Funds	48,163.24		48,163.24
Employees' Compensable Leave (Note 5)			0.00
Pollution Remediation Obligation			0.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>260,811,775.08</b>	<b>768,927.25</b>	<b>261,580,702.33</b>
<b>NON-CURRENT LIABILITIES:</b>			
Employees' Compensable Leave (Note 5)			0.00
Pollution Remediation Obligation			0.00
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL LIABILITIES</b>	<b>260,811,775.08</b>	<b>768,927.25</b>	<b>261,580,702.33</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>			
Deferred Inflow of Resources (Note 28)	1,197,559.78		1,197,559.78
<b>TOTAL DEFERRED INFLOW OF RESOURCES</b>	<b>\$ 1,197,559.78</b>	<b>\$</b>	<b>\$ 1,197,559.78</b>



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF NET POSITION
			500.00
			1,423,459.99
			998,438.86
			11,193,807.12
			342,096,566.88
			141,210.90
			13,151,569.45
			1,060,399.02
			3,115,207.01
			75,918,492.46
			52,730,476.00
			54,788.25
0.00	0.00	0.00	501,884,915.94
			102,658,993.41
			546,246,479.62
648,905,473.03	0.00	0.00	648,905,473.03
648,905,473.03	0.00	0.00	1,150,790,388.97
			89,503,235.33
			170,821,380.20
			1,207,923.56
			48,163.24
	189,218,113.08		189,218,113.08
	1,000,643.98		1,000,643.98
0.00	190,218,757.06	0.00	451,799,459.39
			6,633,453.04
			49,648.75
0.00	6,683,101.79	0.00	6,683,101.79
0.00	196,901,858.85	0.00	458,482,561.18
		(1,197,559.78)	0.00
\$	\$	\$ (1,197,559.78)	\$ 0.00



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

**EXHIBIT 1 - COMBINED BALANCE SHEET/STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS (Continued)**  
**August 31, 2019**

	GOVERNMENTAL FUND TYPES		GOVERNMENTAL FUNDS TOTAL
	GENERAL FUNDS	SPECIAL REVENUE FUNDS	
<b>FUND FINANCIAL STATEMENT</b>			
<b>FUND BALANCES (DEFICITS):</b>			
Nonspendable for:			
Inventory	\$ 128,449,600.62	\$ 199,367.84	\$ 128,648,968.46
Prepaid Items	54,788.25		54,788.25
Restricted	4,281,351.56		4,281,351.56
Committed	996,793.73	12,612,862.45	13,609,656.18
Unassigned	92,511,889.38		92,511,889.38
<b>TOTAL FUND BALANCE</b>	<u>226,294,423.54</u>	<u>12,812,230.29</u>	<u>239,106,653.83</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>			
	<u>\$ 488,303,758.40</u>	<u>\$ 13,581,157.54</u>	<u>\$ 501,884,915.94</u>

**GOVERNMENT-WIDE STATEMENT OF NET POSITION**

Net Position	
Invested in Capital Assets, Net of Related Debt	
Restricted For	
Debt Retirement	
Capital Projects	
Funds Held as Permanent Investments:	
Expendable	
Nonexpendable	
Other	
Unrestricted	
<b>TOTAL NET POSITION</b>	

The accompanying notes to the financial statements are an integral part of this financial statement.



**UNAUDITED**  
 TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF NET POSITION
\$	\$	\$	128,648,968.46
			54,788.25
			4,281,351.56
			13,609,656.18
			92,511,889.38
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>239,106,653.83</u>
648,905,473.03	-	-	648,905,473.03
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	(196,901,858.85)	1,197,559.78	(195,704,299.07)
<u>\$ 648,905,473.03</u>	<u>\$ (196,901,858.85)</u>	<u>\$ 1,197,559.78</u>	<u>\$ 692,307,827.79</u>



**UNAUDITED**  
TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**EXHIBIT II - COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES/STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS  
For the Fiscal Year Ended August 31, 2019**

	GOVERNMENTAL FUND TYPES		GOVERNMENTAL FUNDS TOTAL
	GENERAL FUNDS	SPECIAL REVENUE FUNDS	
<b>REVENUES</b>			
Legislative Appropriations:			
Original Appropriations (GR)	\$ 3,197,732,771.00	\$	\$ 3,197,732,771.00
Additional Appropriations (GR)	546,375,323.46		546,375,323.46
Federal Revenues (PR, Operating, or Capital)	13,299,525.80	82,725.45	13,382,251.25
Federal Grant Pass Through Revenues (PR)	4,152,120.22	2,162,532.72	6,314,652.94
State Grant Pass Through Revenues (PR)	649,099.67	52,346,972.82	52,996,072.49
Licenses, Fees, and Permits (PR)	3,110,783.75	60.02	3,110,843.77
Interest and Other Investment Income (GR)	9,888.30	437,198.08	447,086.38
Land Income (PR)	3,366,001.97		3,366,001.97
Settlement of Claims (GR)	69,319.27		69,319.27
Sales of Goods and Services (PR)	61,601,077.21		61,601,077.21
Other (GR)	6,065,751.30	38,173.74	6,103,925.04
<b>TOTAL REVENUES</b>	<u>3,836,431,661.95</u>	<u>55,067,662.83</u>	<u>3,891,499,324.78</u>
<b>EXPENDITURES</b>			
Salaries and Wages	1,647,112,483.12	49,800,557.36	1,696,913,040.48
Payroll Related Costs	572,316,391.42	1,672,020.19	573,988,411.61
Professional Fees and Services	721,542,466.50	240,666.17	721,783,132.67
Travel	14,479,502.69	701,962.78	15,181,465.47
Materials and Supplies	275,059,760.23	4,490,505.49	279,550,265.72
Communication and Utilities	124,638,279.39	257,780.25	124,896,059.64
Repairs and Maintenance	36,608,056.87	118,222.43	36,726,279.30
Rentals and Leases	24,693,642.73	258,643.46	24,952,286.19
Printing and Reproduction	284,080.51	269,362.82	553,443.33
Claims and Judgements	524,513.77		524,513.77
Intergovernmental Payments	245,593,175.30		245,593,175.30
Public Assistance Payments	183,510,316.15		183,510,316.15
Other Expenditures	30,217,495.24	1,345,740.93	31,563,236.17
Capital Outlay	23,164,504.20	506,304.93	23,670,809.13
Depreciation and Amortization Expense			0.00
Net Change in Pollution Remediation Obligation			0.00
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>3,899,744,668.12</u>	<u>59,661,766.81</u>	<u>3,959,406,434.93</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (63,313,006.17)</u>	<u>\$ (4,594,103.98)</u>	<u>\$ (67,907,110.15)</u>



**UNAUDITED**  
 TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF ACTIVITIES
\$	\$	\$	\$ 3,197,732,771.00
			546,375,323.46
			13,382,251.25
			6,314,652.94
			52,996,072.49
			3,110,843.77
			447,086.38
		(5,940.00)	3,360,061.97
			69,319.27
		(95,793.84)	61,505,283.37
		8,418.91	6,112,343.95
0.00	0.00	(93,314.93)	3,891,406,009.85
			1,695,998,483.20
	(914,557.28)		573,988,411.61
			721,783,132.67
			15,181,465.47
			279,550,265.72
			124,896,059.64
			36,726,279.30
			24,952,286.19
			553,443.33
			524,513.77
			245,593,175.30
			183,510,316.15
			31,563,236.17
(23,670,809.13)			0.00
100,969,702.05			100,969,702.05
	190,193.74		190,193.74
77,298,892.92	(724,363.54)	0.00	4,035,980,964.31
\$ (77,298,892.92)	\$ 724,363.54	\$ (93,314.93)	\$ (144,574,954.46)



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

**EXHIBIT II - COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES/STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS (Continued)**  
**For the Fiscal Year Ended August 31, 2019**

	GOVERNMENTAL FUND TYPES		GOVERNMENTAL FUNDS TOTAL
	GENERAL FUNDS	SPECIAL REVENUE FUNDS	
<b>OTHER FINANCING SOURCES (USES):</b>			
Sale of Capital Assets	\$ 3,061,961.91	\$	\$ 3,061,961.91
Interagency Transfer of Capital Assets	(16,555.00)		(16,555.00)
Insurance Recoveries	217,040.94		217,040.94
Transfers In	71,030,332.15	5,345,483.70	76,375,815.85
Transfers Out	(2,336,310.53)		(2,336,310.53)
Capital Contribution			0.00
Gain (Loss) on the Sale of Capital Assets			0.00
Incr(Deer) Net Assets - Interagency Transfer of Capital Assets			0.00
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>71,956,469.47</u>	<u>5,345,483.70</u>	<u>77,301,953.17</u>
<b>NET CHANGE IN FUND BALANCES/NET ASSETS</b>	<u>8,643,463.30</u>	<u>751,379.72</u>	<u>9,394,843.02</u>
<b>FUND FINANCIAL STATEMENT - FUND BALANCES</b>			
<b>Fund Balance September 1, 2018</b>	214,881,033.98	12,060,850.57	226,941,884.55
Restatements (Note 14)	1,000,000.00		1,000,000.00
<b>Fund Balances, September 1, 2018, as Restated</b>	<u>215,881,033.98</u>	<u>12,060,850.57</u>	<u>227,941,884.55</u>
Appropriations Lapsed	1,769,926.26		1,769,926.26
<b>FUND BALANCES - August 31, 2019</b>	<u>\$ 226,294,423.54</u>	<u>\$ 12,812,230.29</u>	<u>\$ 239,106,653.83</u>

**GOVERNMENT-WIDE STATEMENT OF NET POSITION**

<b>Net Position/Net Change in Net position</b>	239,106,653.83
<b>Net Position-September 1, 2018</b>	
Restatements (Note 14)	
<b>Net Position, September 1, 2018, as Restated</b>	
<b>Net Position-August 31, 2019</b>	<u>\$ 239,106,653.83</u>

The accompanying notes to the financial statements are an integral part of this financial statement.



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF ACTIVITIES
\$ (3,061,961.91)	\$	\$	\$ (0.00)
16,555.00			0.00
		-	217,040.94
(14,838.60)			76,375,815.85
530,290.35			(2,351,149.13)
1,228,051.66			530,290.35
(16,555.00)			1,228,051.66
(1,318,458.50)	0.00	0.00	(16,555.00)
(78,617,351.42)	724,363.54	(93,314.93)	75,983,494.67
			226,941,884.55
			1,000,000.00
			227,941,884.55
			1,769,926.26
			\$ 161,120,351.02
(78,617,351.42)	724,363.54	(93,314.93)	161,120,351.02
724,563,076.46	(197,626,222.39)	1,290,874.71	528,227,728.78
2,959,747.99	-		2,959,747.99
727,522,824.45	(197,626,222.39)	1,290,874.71	531,187,476.77
\$ 648,905,473.03	\$ (196,901,858.85)	\$ 1,197,559.78	\$ 692,307,827.79



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TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

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**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

**EXHIBIT III - COMBINED STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**August 31, 2019**

	<b>PROPRIETARY FUNDS (0001) U/F (0050)</b>
<b>ASSETS</b>	
<b>Current Assets:</b>	
Legislative Appropriations	\$ 48,089,332.64
Receivables from:	
Accounts Receivables	1,657,768.48
Due From Other Funds	25,726.45
Consumable Inventories	398,323.31
Merchandise Inventories	9,454,735.04
<b>Total Current Assets</b>	<b>59,625,885.92</b>
<b>Non-Current Assets:</b>	
<b>Capital Assets (Note 2):</b>	
Non-Depreciable or Non-Amortizable	282,658.18
Depreciable or Amortizable, Net	500,063.75
<b>Total Non-Current Assets</b>	<b>782,721.93</b>
<b>TOTAL ASSETS</b>	<b>60,408,607.85</b>
<b>DEFERRED OUTFLOWS</b>	
Derivative Hedging Instrument Assets	
Deferred Outflow of Resources (Note 28)	
<b>TOTAL DEFERRED OUTFLOWS</b>	-
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Payables from:	
Accounts	6,362,997.74
Payroll	1,592,790.04
Due To Other Funds	1,037,962.23
Employees' Compensable Leave (Note 5)	1,209,310.64
<b>Total Current Liabilities</b>	<b>10,203,060.65</b>
<b>Non-Current Liabilities:</b>	
Employees' Compensable Leave (Note 5)	35,074.23
<b>Total Non-Current Liabilities</b>	<b>35,074.23</b>
<b>TOTAL LIABILITIES</b>	<b>10,238,134.88</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>	
Derivative Hedging Instrument Liabilities	-
Deferred Inflow of Resources (Note 28)	-
<b>TOTAL DEFERRED INFLOWS</b>	-
<b>NET POSITION</b>	
Invested in Capital Assets - Net of Related Debt	782,721.93
Unrestricted	49,387,751.04
<b>TOTAL NET POSITION</b>	<b>\$ 50,170,472.97</b>

The accompanying notes to the financial statements are an integral part of this financial statement.



**UNAUDITED**  
TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**EXHIBIT IV - COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS**  
**For the Fiscal Year Ended August 31, 2019**

	PROPRIETARY FUNDS (0001) U/F (0050)
<b>OPERATING REVENUES</b>	
Sales of Goods and Services:	
Auxiliary Enterprise - Pledged (PR)	\$ 122,166,409.25
Other Operating Revenues (PR)	2,090,887.50
<b>TOTAL OPERATING REVENUES</b>	<b>124,257,296.75</b>
<b>OPERATING EXPENSES</b>	
Cost of Goods Sold	85,985,982.62
Salaries and Wages	14,512,555.85
Payroll Related Costs	5,675,906.89
Professional Fees and Services	4,760.00
Travel	68,768.03
Materials and Supplies	1,785,975.15
Communication and Utilities	2,024.00
Repairs and Maintenance	322,663.29
Rentals and Leases	835,751.86
Printing and Reproduction	24,736.86
Depreciation and Amortization Expense	82,404.36
Bad Debt Expense	7,903.42
Interest	336.43
Other Operating Expenses	132,720.32
<b>TOTAL OPERATING EXPENSES</b>	<b>109,442,489.08</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>14,814,807.67</b>
<b>NON-OPERATING REVENUES/EXPENSE</b>	
Additional Appropriations (GR)	5,384,337.60
Settlement of Claims	1,375.94
Gain/(Loss) on Sale of Assets	3,050.00
Other Non-Operating Revenues (Expenses)	
<b>TOTAL NON-OPERATING REVENUES/EXPENSES</b>	<b>5,388,763.54</b>
<b>INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS</b>	<b>20,203,571.21</b>
<b>OTHER REVENUES, (EXPENSES), GAINS/(LOSSES) AND TRANSFERS</b>	
Transfer In	
Transfers Out	(16,248,507.55)
<b>TOTAL OTHER REVENUES, (EXPENSES), GAINS/(LOSSES) AND TRANSFERS</b>	<b>(16,248,507.55)</b>
<b>CHANGE IN NET POSITION</b>	<b>3,955,063.66</b>
<b>Total Net Position, September 1, 2018</b>	<b>46,215,409.31</b>
Lapsed Appropriations	
<b>NET POSITION - August 31, 2019</b>	<b>\$ 50,170,472.97</b>

The accompanying notes to the financial statements are an integral part of this financial statement.



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**EXHIBIT V - COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
For the Fiscal Year Ended August 31, 2019

	PROPRIETARY FUND (0001) U/F (0050)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds Received from Customers	\$ 123,082,519.76	
Proceeds from Other Revenues	2,090,887.50	
Payments to Suppliers for Goods and Services	(85,281,468.36)	
Payments to Employees	(20,238,313.54)	
Payments for Other Expenses	(3,177,735.94)	
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		16,475,889.42
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Proceeds of Transfers from Other Funds	5,384,337.60	
Payment for Transfers to Other Funds	(22,099,623.49)	
<b>NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>		(16,715,285.89)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Payments for Additions to Capital Assets	(165,919.05)	
<b>NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>		(165,919.05)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Investments	24,441,908.71	
Proceeds from Interest and Investment Income	483,786.01	
Payments to Acquire Investments	(24,520,379.20)	
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		405,315.52
Net Increase (Decrease) in Cash & Cash Equivalents		0.00
Cash and Cash Equivalents, September 1, 2017		-
Cash and Cash Equivalents, August 31, 2018	\$	0.00
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)		14,814,807.67
<b>Adjustments To Reconcile Operating Income To Net Cash Provided By Operating Activities:</b>		
Amortization and Depreciation	82,404.36	
Bad Debt Expense	7,903.42	
Change in Assets and Liabilities:		
(Increase) Decrease in Receivables	885,063.94	
(Increase) Decrease in Due From Other Funds	31,046.57	
(Increase) Decrease in Inventories	181,246.75	
Increase (Decrease) in Payables	222,942.42	
Increase (Decrease) in Due to Other Funds	300,325.09	
Increase (Decrease) in Employees' Compensable Leave	(49,850.80)	
<b>Total Adjustments</b>		1,661,081.75
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$	16,475,889.42

The accompanying notes to the financial statements are an integral part of this financial statement.



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**EXHIBIT VI - COMBINED STATEMENT OF NET POSITION - FIDUCIARY FUNDS**  
 August 31, 2019

	PRIVATE PURPOSE TRUSTS	AGENCY FUNDS (EXH J-1)	TOTALS
<b>ASSETS</b>			
Cash and Cash Equivalents (Note 3):			
Cash in Bank	\$ 12,092,164.21	\$	\$ 12,092,164.21
Cash in State Treasury		8,042,102.46	8,042,102.46
Short Term Investments (Note 3):			
U.S. Government and Agency Obligations	24,520,379.20		24,520,379.20
<b>TOTAL ASSETS</b>	<u>36,612,543.41</u>	<u>8,042,102.46</u>	<u>44,654,645.87</u>
<b>LIABILITIES</b>			
Payables from:			
Accounts	2,045,578.65		2,045,578.65
Funds Held For Others		8,042,102.46	8,042,102.46
<b>TOTAL LIABILITIES</b>	<u>2,045,578.65</u>	<u>8,042,102.46</u>	<u>10,087,681.11</u>
<b>NET POSITION:</b>			
Held In Trust For:			
Individuals, Organizations and Other Governments	34,566,964.76		34,566,964.76
<b>TOTAL NET POSITION</b>	<u>\$ 34,566,964.76</u>	<u>\$ 0.00</u>	<u>\$ 34,566,964.76</u>

The accompanying notes to the financial statements are an integral part of this financial statement.



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**EXHIBIT VII - COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Fiscal Year Ended August 31, 2019**

	PRIVATE PURPOSE TRUST
<b>ADDITIONS</b>	
Other Additions:	
Transfers In - Employee Deposits	\$ 25,395,097.76
Transfers In - Inmate Deposits	132,859,456.20
<b>TOTAL OTHER ADDITIONS</b>	<b>158,254,553.96</b>
<b>TOTAL ADDITIONS</b>	<b>158,254,553.96</b>
<b>DEDUCTIONS</b>	
Other Deductions:	
Escheated to State	405,049.20
Inmate Purchases and Withdrawals	130,677,052.40
Employee Purchases and Withdrawals	24,298,722.01
<b>TOTAL OTHER DEDUCTIONS</b>	<b>155,380,823.61</b>
<b>TOTAL DEDUCTIONS</b>	<b>155,380,823.61</b>
<b>NET INCREASE (DECREASE)</b>	<b>2,873,730.35</b>
<b>Net Position - September 1, 2018</b>	<b>31,693,234.41</b>
<b>NET POSITION - August 31, 2019</b>	<b>\$ 34,566,964.76</b>

The accompanying notes to the financial statements are an integral part of this financial statement.



**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. ENTITY**

The Texas Department of Criminal Justice (TDCJ) is an Agency of the state of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts Reporting Requirements for Annual Financial Reports of State Agencies and Universities.

The mission of the TDCJ is to provide public safety, promote positive change in offender behavior, reintegrate offenders into society, and assist victims of crime.

The Agency consists of the Community Justice Assistance Division, the Correctional Institutions Division, the Parole Division, and the Private Facility Contract Monitoring/Oversight Division. In addition, there are other support and services divisions. The TDCJ manages offenders in state prisons, state jails and private correctional facilities that contract with the TDCJ. The Agency also provides funding and certain oversight of community supervision (previously known as adult probation) and is responsible for the supervision of offenders released from prison on parole or mandatory supervision.

The TDCJ includes within this report all components as determined by an analysis of their relationship to the TDCJ as listed below:

Due to significant requirements embedded in Governmental Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

The TDCJ has determined that the Windham School District is a blended component unit. The Windham School District records are not shown discretely and their transactions are blended with the TDCJ's records as a Special Revenue Fund.

**B. FUND STRUCTURE**

The accompanying financial statements are presented on the basis of funds and adjustment fund types. Each fund type is considered a separate accounting entity. The adjustment fund types are considered adjustments to bring modified accrual balances to full accrual balances.



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***GOVERNMENTAL FUND TYPES and GOVERNMENT-WIDE ADJUSTMENT FUND TYPES***

General Revenue Funds

The general fund is the principal operating fund used to account for most of the State's general activities. The General Revenue Fund is used to account for all financial resources of the State except those required to be accounted for in another fund.

General Fund (Fund 0001) - This fund was originally established as the primary fund to receive the appropriated revenues of the Agency.

General Fund (Fund 0014) - This fund was originally established to segregate the revenue and expenditures for the Institutional Division from Pardons and Parole, Community Justice Assistance and Facility/Construction funding. The fund is now used to account for the financial resources of the Agency except those required to be accounted for in another fund.

Fund I - ID (Fund 0017) - This fund was originally established to segregate the revenue and expenditures for the Institutional Division's facility and construction programs from Pardons and Parole, Community Justice Assistance and Institutional Division funding.

Federal Funds/Incarcerated Aliens (Fund 0019) - This fund was originally established to segregate the federal revenues related to the State Criminal Alien Assistance Program. The fund is now used to account for all federal revenues.

Texas Capital Trust (Fund 0543) - This fund was established to finance acquisition, construction, repair, improvement or equipping of a building by a state agency. If Legislature authorizes real estate transactions involving real property owned by the state, proceeds are deposited into this account unless legislation provides otherwise.

Economic Stabilization Fund (Fund 0599) - This fund is utilized to capture the cost relating to the deferred maintenance, repair and rehabilitation of state buildings.

Community Justice Assistance Division Excess Aid (Fund 1100) - This fund was established to track excess aid for the Community Justice Assistance Division.

Private Sector Prison Industry Expansion (Fund 5060) - This fund was originally established to construct and increase the number of participants in the private sector prison industry expansion program. The funds are now used to capture costs related to this program.

Deferred Maintenance (Fund 5166) - This fund was established to capture the cost relating to the deferred maintenance, repair and rehabilitation of state buildings.



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Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than for private-purpose trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The Windham School District's records are blended in the special revenue funds within the TDCJ. The TDCJ's Special Revenue Fund consists of:

Windham School Fund (Fund 0991) - This fund was originally established to account for all financial resources of the Windham School District.

Capital Asset Adjustment Fund Type

Capital Asset Adjustment Fund (Fund 0998) - will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type

Long-Term Liabilities Adjustment Fund (Fund 0997) - will be used to convert governmental fund types' debt from modified accrual to full accrual.

Other Adjustments Fund Type

Other Adjustments Fund (Fund 0096) - will be used to convert all other governmental fund types' activity from modified accrual to full accrual.

***PROPRIETARY FUND TYPES***

Enterprise Funds

Enterprise funds account for any activity for which a fee is charged to external users for goods or services. The TDCJ's Enterprise Funds consist of the Education and Recreation Fund (Fund 0050). Activities must be reported as enterprise funds if any one of the following criteria is met:

1. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
2. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges.
3. The pricing policies of the activity establish fees and charges designed to recover its costs including capital costs.



***FIDUCIARY FUND TYPES***

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund, or a private purpose trust fund is used.

Agency Funds

Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. The Agency funds represented are:

Unappropriated Receipts (0018) - This fund was established to collect unappropriated general revenue receipts on behalf of the state.

Local Sales Tax Clearance (Fund 0882) – This fund was established to record the receipt of local sales and use tax collected by the Comptroller.

Suspense Fund (Fund 0900) - This fund was established as a clearing fund for agency receipts, the amounts are not considered material and have not been reclassified to the appropriate fund type.

Direct Deposit Correction Fund (Fund 0980) - This fund was established as a clearing fund to record vendor payments returned to the Agency to be cancelled and reissued with the corrected vendor information, the amounts are not considered material and have not been reclassified to the appropriate fund type.

Restitution Fund (Fund 0984) - This fund was established to collect offender restitution receipts and distribute those funds as directed by the court decision.

Child Support Addenda Deducts (Fund 8070) - This fund was established as a clearing fund to record the collection of child support deductions and subsequent disbursement to the Office of the Attorney General.

USPS - Direct Deposit Return Money Fund (Fund 9014) - This fund was established as a clearing fund to record payroll payments returned to the Agency to be cancelled and reissued with the corrected payroll information, the amounts are not considered material and have not been reclassified to the appropriate fund type.

USPS - Overpayments to Employees Fund (Fund 9015) - This fund was established as a clearing fund to record the collections for overpayments to employees, the amounts are not considered material and have not been reclassified to the appropriate fund type.



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Warrant Hold Offset Fund (Fund 9016) - This fund was established by the Comptroller to deposit amounts deducted for a person's indebtedness to the Agency from any amount the state owes the person or the person's successor.

Private-Purpose Trust Funds

Agencies use private-purpose trust funds to account for all other trust arrangements whose principal and interest benefit individuals, private organizations, or other governments. The private-purpose trust funds for TDCJ are:

Inmate Trust Fund (Fund 0950) - This fund was established to account for offender commissary accounts.

Employee Service Option Fund (Fund 0960) - This fund was established to account for employee commissary contributions.

***COMPONENT UNITS***

The TDCJ has determined that the Windham School District is a blended component unit. The Windham School District's records are not shown discretely and their transactions are blended with the TDCJ's records as a Special Revenue Fund.

***BASIS OF ACCOUNTING***

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year-end. The state of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for fund financial statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid employee compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments and full accrual revenues and expenses. The activity is recognized in these fund types.



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Proprietary funds (enterprise funds) and fiduciary fund types (private-purpose trust funds) except agency funds are accounted for on the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary funds principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets.

***BUDGET AND BUDGETARY ACCOUNTING***

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act). Encumbrance accounting is employed for budgetary control purposes.

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

**C. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION**

***ASSETS***

Cash and Cash Equivalents

Short-term, highly liquid investments with an original maturity of three months or less at time of purchase are considered cash equivalents.

Investments

The Agency currently reports all investments at amortized cost. The investments purchased by the Fiduciary Fund are all highly liquid short-term U.S. Treasury obligations with a maturity date of one year or less.

The Windham School District participates in TEXPOOL, TEXPOOL Prime and LOGIC which are considered Other Commingled Funds. The fair value of the investments purchased by the Windham School District is not significantly affected by any impairment of the credit standing of the issuer or by other factors.

Inventories and Prepaid Items

Consumable inventories include supplies at year-end. Merchandise inventories include materials, supplies, equipment, commodities and other items on hand and for sale.



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The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

Current Receivables - Other

Receivables include year-end revenue accruals. This account can appear in governmental or proprietary fund types.

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues that are set aside for statutory or contractual requirements.

Capital Assets

Assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost, if purchased, or at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Amortization is reported on all "amortizable" intangible assets. Assets are depreciated or amortized over the estimated useful life of the asset using the straight-line method.

All capital assets acquired by proprietary funds or trust funds are reported in that fund at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation or amortization is charged to operations of the fund over the estimated useful life of each asset, using the straight-line method.

***LIABILITIES***

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Current Payables - Other

Payables are the accrual at year-end of expenditure transactions. Payables may be included in either the governmental or proprietary fund types.



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Employees' Compensable Leave

Employees' Compensable Leave Balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or non-current in the statement of net assets.

Capital Lease Obligations

Capital Lease Obligations represent the liability for future lease payments under capital lease contracts contingent upon the appropriation of funding by the Legislature. Liabilities are reported separately as either current or non-current in the statement of net assets.

Funds Held in Custody for Others

Agency funds account for assets held in a custodial capacity for the benefit of other organizations or persons. By legislative mandate, the TDCJ controls monetary payments provided by perpetrators of crimes to their victims as restitution for losses.

***FUND BALANCE/NET POSITION***

The difference between fund assets and liabilities is "Net Assets" on the government-wide, proprietary and fiduciary fund statements, and the "Fund Balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary and fiduciary fund statements.

Fund Balance Components

Fund balances for governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

Nonspendable Fund Balance

Nonspendable Fund Balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted Fund Balance

Restricted Fund Balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.



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Committed Fund Balance

Committed Fund Balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision making authority.

Assigned Fund Balance

Assigned Fund Balance includes amounts constrained by the state's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance

Unassigned Fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Invested in Capital Assets, Net of Related Debt

Invested in Capital Assets, Net of Related Debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Position

Restricted Net Position results when constraints placed on net resources use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provision or enabling legislation.

Unrestricted Net Position

Unrestricted Net Position consists of net resources that do not meet the definition of the two preceding categories. Unrestricted Net Position often has constraints on resources, which are imposed by management, but can be removed or modified.

***INTERFUND TRANSACTIONS AND BALANCES***

The Agency has the following types of transactions among funds:

1. Transfers

Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.



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2. Legislative Transfers

Legislative Transfers In or Out are budget transfers reported between agencies within Fund 0001 or transfers occurring between GAAP Fund Types.

3. Reimbursements

Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditure in the reimbursed fund.

4. Interfund Receivables and Payables

Interfund loans are reported as interfund receivables and payables. If the repayment is due during the current year or soon thereafter it is classified as "Current," repayment for two (or more) years is classified as "Non-Current."

The composition of the Agency's interfund receivables and payables at August 31, 2019 is presented in Note 12.



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**NOTE 2: CAPITAL ASSETS**

A summary of changes in Capital Assets for the year ended August 31, 2019, is presented below:

	PRIMARY GOVERNMENT			
	Balance 09/01/18	Adjustments	Reclassifications Completed CIP	Reclassifications Inc-Int'agy Trans
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>Non-depreciable or Non-amortizable Assets</b>				
Land and Land Improvements	\$ 79,608,045.18	\$ -	\$ 306,038.14	\$ -
Infrastructure	-	-	-	-
Construction in Progress	29,136,392.90	(125,263.41)	(19,504,282.11)	-
Other Tangible Capital Assets	25,323.23	-	-	-
Land Use Rights	-	-	-	-
Other Intangible Capital Assets	-	-	-	-
Total Non-depreciable or Non-amortizable Assets	108,769,761.31	(125,263.41)	(19,198,243.97)	-
<b>Depreciable Assets</b>				
Buildings and Building Improvements	2,895,115,407.85	3,000,000.00	1,684,700.42	-
Infrastructure	72,206,771.48	-	3,145,268.31	-
Facilities and Other Improvements	100,304,427.86	-	583,073.44	-
Furniture and Equipment	295,807,213.26	115,740.53	13,785,201.80	-
Vehicle, Boats and Aircraft	86,527,831.25	71,318.78	-	233,398.99
Other Capital Assets <sup>1</sup>	8,499,805.53	-	-	-
Total Depreciable Assets	3,458,461,457.23	3,187,059.31	19,198,243.97	233,398.99
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(2,376,348,719.78)	-	-	-
Infrastructure	(56,476,548.58)	-	-	-
Facilities and Other Improvements	(88,385,526.78)	-	-	-
Furniture and Equipment	(255,540,020.78)	(30,729.13)	-	-
Vehicles, Boats and Aircraft	(64,329,648.24)	(71,318.78)	-	(233,398.99)
Other Capital Assets <sup>1</sup>	(2,272,537.69)	-	-	-
Total Accumulated Depreciation	(2,843,353,001.85)	(102,047.91)	-	(233,398.99)
Depreciable Assets, Net	615,108,455.38	3,085,011.40	19,198,243.97	-
<b>Amortizable Assets - Intangible</b>				
Land Use Rights				
Computer Software	23,951,192.08	(6,985.00)	-	-
Other Capital Intangible Assets	-	-	-	-
Total Amortizable Assets - Intangible	23,951,192.08	(6,985.00)	-	-
Less Accumulated Amortization for:				
Land Use Rights	-	-	-	-
Computer Software	(23,266,332.31)	6,985.00	-	-
Other Intangible Capital Assets	-	-	-	-
Total Accumulated Amortization	(23,266,332.31)	6,985.00	-	-
Amortizable Assets - Intangible, Net	684,859.77	0.00	-	-
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 724,563,076.46</b>	<b>\$ 2,959,747.99</b>	<b>\$ -</b>	<b>\$ -</b>

<sup>1</sup>includes Library Books

Depreciation Expense and Accumulated Depreciation amounts are calculated using internal accounting systems



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**PRIMARY GOVERNMENT**

Reclassifications Dec-Int'agy Trans	Additions	Deletions	Balance 08/31/19
\$ -	\$ -	\$ (1,463,000.00)	\$ 78,451,083.32
-	-	-	-
-	14,675,739.48	-	24,182,586.86
-	-	-	25,323.23
-	-	-	-
-	-	-	-
-	14,675,739.48	(1,463,000.00)	102,658,993.41
-	-	-	2,899,800,108.27
-	-	-	75,352,039.79
-	-	-	100,887,501.30
-	3,354,480.52	(2,119,581.05)	310,943,055.06
-	5,686,062.09	(5,147,606.14)	87,371,004.97
-	484,817.39	(464,483.98)	8,520,138.94
-	9,525,360.00	(7,731,671.17)	3,482,873,848.33
-	(79,458,521.95)	-	(2,455,807,241.73)
-	(1,815,782.58)	-	(58,292,331.16)
-	(2,398,301.11)	-	(90,783,827.89)
-	(10,394,624.76)	1,961,148.55	(264,004,226.12)
-	(6,074,952.13)	5,027,380.95	(65,681,937.19)
-	(520,203.24)	357,392.82	(2,435,348.11)
-	(100,662,385.77)	7,345,922.32	(2,937,004,912.20)
-	(91,137,025.77)	(385,748.85)	545,868,936.13
-	-	-	-
-	-	-	23,944,207.08
-	-	-	-
-	-	-	23,944,207.08
-	-	-	-
-	(307,316.28)	-	(23,566,663.59)
-	-	-	-
-	(307,316.28)	-	(23,566,663.59)
-	(307,316.28)	-	377,543.49
\$ -	\$ (76,768,602.57)	\$ (1,848,748.85)	\$ 648,905,473.03



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**NOTE 2: CAPITAL ASSETS (Continued)**

A summary of changes in Capital Assets for the year ended August 31, 2019, is presented below:

	PRIMARY GOVERNMENT			
	Balance 09/01/18	Adjustments	Reclassifications Completed CIP	Reclassifications Inc-Int'agy Trans
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>Non-depreciable or Non-amortizable Assets</b>				
Land and Land Improvements	\$ 282,658.18	\$ -	\$ -	\$ -
Infrastructure	-	-	-	-
Construction in Progress	-	-	-	-
Other Tangible Capital Assets	-	-	-	-
Land Use Rights	-	-	-	-
Other Intangible Capital Assets	-	-	-	-
Total Non-depreciable or Non-amortizable Asset	282,658.18	-	-	-
<b>Depreciable Assets</b>				
Buildings and Building Improvements	1,062,327.09	-	-	-
Infrastructure	-	-	-	-
Facilities and Other Improvements	498,879.59	-	-	-
Furniture and Equipment	1,085,340.35	-	-	-
Vehicle, Boats and Aircraft	235,462.00	-	-	-
Other Capital Assets <sup>1</sup>	-	-	-	-
Total Depreciable Assets	2,882,009.03	-	-	-
<b>Less Accumulated Depreciation for:</b>				
Buildings and Building Improvements	(924,725.42)	-	-	-
Infrastructure	-	-	-	-
Facilities and Other Improvements	(498,879.59)	-	-	-
Furniture and Equipment	(808,957.45)	-	-	-
Vehicles, Boats and Aircraft	(232,897.51)	-	-	-
Other Capital Assets <sup>1</sup>	-	-	-	-
Total Accumulated Depreciation	(2,465,459.97)	-	-	-
Depreciable Assets, Net	416,549.06	-	-	-
<b>Amortizable Assets - Intangible</b>				
Land Use Rights	-	-	-	-
Computer Software	659,680.00	-	-	-
Other Capital Intangible Assets	-	-	-	-
Total Amortizable Assets - Intangible	659,680.00	-	-	-
<b>Less Accumulated Amortization for:</b>				
Land Use Rights	-	-	-	-
Computer Software	(659,680.00)	-	-	-
Other Intangible Capital Assets	-	-	-	-
Total Accumulated Amortization	(659,680.00)	-	-	-
Amortizable Assets - Intangible, Net	-	-	-	-
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 699,207.24</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<sup>1</sup>includes Library Books

Depreciation Expense and Accumulated Depreciation amounts are calculated using internal accounting systems



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**PRIMARY GOVERNMENT**

Reclassifications Dec-Int'gy Trans	Additions	Deletions	Balance 08/31/19
\$ -	\$ -	\$ -	\$ 282,658.18
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	282,658.18
-	-	-	1,062,327.09
-	-	-	-
-	-	-	498,879.59
-	165,919.05	(98,058.00)	1,153,201.40
-	-	(61,533.00)	173,929.00
-	-	-	-
-	165,919.05	(159,591.00)	2,888,337.08
-	(18,883.68)	-	(943,609.10)
-	-	-	-
-	-	-	(498,879.59)
-	(63,520.68)	98,058.00	(774,420.13)
-	-	61,533.00	(171,364.51)
-	-	-	-
-	(82,404.36)	159,591.00	(2,388,273.33)
-	83,514.69	-	500,063.75
-	-	-	-
-	-	-	659,680.00
-	-	-	-
-	-	-	659,680.00
-	-	-	-
-	-	-	(659,680.00)
-	-	-	-
-	-	-	(659,680.00)
-	-	-	-
\$ -	\$ 83,514.69	\$ -	\$ 782,721.93



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**NOTE 3: DEPOSITS, INVESTMENTS, AND REPURCHASE AGREEMENTS**

Government Code 2256 - Investments of funds by agencies and boards authorizes the TDCJ to invest and reinvest any of their funds in direct obligations of, or obligations the principal and interest of which are guaranteed by the United States of America; in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Bank, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Bank, and Banks for Cooperatives; in certificates of deposit of a pledge of securities of any of the kind hereinbefore specified; in any other securities made eligible for such investment by other laws and constitutional provisions; or in any combination of the foregoing. Income and profits shall be applied as directed by the TDCJ. The TDCJ is authorized to make investments following the "prudent person rule." There were no violations of legal provisions during the period.

DEPOSITS OF CASH IN BANK

As of August 31, 2019, the carrying amount of deposits was \$13,515,624.20 as presented below.

<b>Governmental and Business-Type Activities</b>	
CASH IN BANK - CARRYING VALUE	\$1,423,459.99
<b>Cash in Bank per AFR</b>	<b>\$1,423,459.99</b>
Governmental Funds Current Assets Cash in Bank	\$1,423,459.99
<b>Cash in Bank per AFR</b>	<b>\$1,423,459.99</b>
<b>Fiduciary Funds</b>	
CASH IN BANK - CARRYING VALUE	\$12,092,164.21
<b>Cash in Bank per AFR</b>	<b>\$12,092,164.21</b>
Fiduciary Funds Cash in Bank	\$12,092,164.21
<b>Cash in Bank Per AFR</b>	<b>\$12,092,164.21</b>

As of August 31, 2019, the total bank balance was as follows.

<b>Governmental and Business - Type Activities</b>	<b>\$2,986,967.20</b>	<b>Fiduciary Funds</b>	<b>\$12,633,031.66</b>
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INVESTMENTS

As of August 31, 2019, the carrying value and fair value of investments are as presented below.

<b>Governmental and Business-Type Activities</b>	<b>Carrying Value</b>	<b>Fair Value</b>
Other Commingled Funds – Logic	\$6,155,780.32	\$6,155,780.32
Other Commingled Funds – Texpool	323,123.22	323,123.22
Other Commingled Funds - Texpool-Prime	4,714,903.58	4,714,903.58
<b>Total</b>	<b>\$11,193,807.12</b>	<b>\$11,193,807.12</b>
<b>Fiduciary Funds</b>	<b>Carrying Value</b>	<b>Fair Value</b>
U.S. Government		
U.S. Treasury Securities	\$24,520,379.20	\$24,873,216.47
<b>Total</b>	<b>\$24,520,379.20</b>	<b>\$24,873,216.47</b>

The Agency currently reports all investments at amortized cost. The investments purchased by the Fiduciary Fund are all highly liquid short-term U.S. Treasury obligations with a maturity date of one year or less. The fair value of the investments purchased by the Special Revenue Fund is not significantly affected by any impairment of the credit standing of the issuer or by other factors.



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**NOTE 4: SHORT TERM DEBT**

Currently not applicable.

**NOTE 5: LONG TERM LIABILITIES**

**CHANGES IN LONG-TERM LIABILITIES:**

During the year ended August 31, 2019, the following changes occurred in liabilities:

Governmental Activities	Balance 09/01/18	Additions	Reductions	Balance 08/31/19	Amounts Due Within One Year	Amounts Due Thereafter
Employees' Compensable Leave	\$ 196,766,123.40	\$ 397,642,539.88	\$ 398,557,097.16	\$ 195,851,566.12	\$ 189,218,113.08	\$ 6,633,453.04
Pollution Remediation Obligations	\$ 860,098.99	\$ 751,172.00	\$ 560,978.26	\$ 1,050,292.73	\$ 1,000,643.98	\$ 49,648.75
Total Governmental Activities	\$ 197,626,222.39	\$ 398,393,711.88	\$ 399,118,075.42	\$ 196,901,858.85	\$ 190,218,757.06	\$ 6,683,101.79

Business Type Activities	Balance 09/01/18	Additions	Reductions	Balance 08/31/19	Amounts Due Within One Year	Amounts Due Thereafter
Employees' Compensable Leave	\$ 1,294,235.67	\$ 2,508,706.15	\$ 2,558,556.95	\$ 1,244,384.87	\$ 1,209,310.64	\$ 35,074.23
Total Business Type Activities	\$ 1,294,235.67	\$ 2,508,706.15	\$ 2,558,556.95	\$ 1,244,384.87	\$ 1,209,310.64	\$ 35,074.23

**EMPLOYEES' COMPENSABLE LEAVE**

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from state employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary fund types are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**POLLUTION REMEDIATION OBLIGATIONS**

The TDCJ is responsible for removal of asbestos on an as needed basis when TDCJ buildings containing asbestos require renovation or repairs. An additional project includes remediation at the Ellis Unit that contained both municipal and hazardous waste. The TDCJ used the Engineering Scope of Authorized Expenses Method for estimating costs. The amount of estimated pollution remediation liability assumes that there will be no major increases in the cost of providing these services. Currently all projects fall under Texas Administrative Code, Title 30 Environmental Quality, Part 1 Texas Commission on Environmental Quality Chapter 350 Texas Risk Reduction Program.

The TDCJ does not expect to recover the costs of these projects.



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**NOTE 6: BONDED INDEBTEDNESS**

Currently not applicable.

**NOTE 7: DERIVITIVES**

Currently not applicable.

**NOTE 8: LEASES**

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating leases

<b>Fund Type</b>	
General Fund	\$ 18,392,401.91
Enterprise Fund	374,079.96
<b>Totals (Memorandum Only)</b>	<b>\$ 18,766,481.87</b>

Future minimum lease rental payments under non-cancellable operating leases having an initial term in excess of one year are as follows:

<b>Year Ended August 31, 2019</b>	
2020	19,001,846.09
2021	17,468,670.60
2022	15,268,842.79
2023	12,878,995.98
2024	12,098,621.09
2025-2029	29,772,375.71
2030 and beyond	267,093.00
<b>Total Minimum Future Leases Rental Payments</b>	<b>\$ 106,756,445.26</b>

The TDCJ does not currently have any capital leases to report.

**NOTE 9: DEFINED BENEFIT PENSION PLANS AND DEFINED CONTRIBUTION PLAN**

Currently not applicable.

**NOTE 10: DEFERRED COMPENSATION**

Currently not applicable.



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**NOTE 11: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

Currently not applicable.

**NOTE 12: INTERFUND ACTIVITY AND TRANSACTIONS**

**INTERFUND RECEIVABLES AND PAYABLES:**

The Agency did not have interfund receivable and payable disclosures for fiscal 2019.

**NOTE 13: CONTINUANCE SUBJECT TO REVIEW**

The Texas Board of Criminal Justice and the TDCJ are subject to the Texas Sunset Act per Texas Government Code, Section 492.012, V.T.C.A.. The 86th Legislature amended Texas Government Code, Section 492.012, V.T.C.A. to state that unless continued in existence as provided by the Texas Sunset Act (Chapter 325), the Board and the Department are abolished September 1, 2025.

**NOTE 14: ADJUSTMENTS TO FUND BALANCES AND NET ASSETS**

During fiscal 2019, certain accounting changes and adjustments were made that required the restatement of fund balance or net position. The restatements are presented below:

	General Funds	Capital Asset Adjustment
Fund Bal/Net Position – September 1, 2018	\$ 214,881,033.98	\$ 724,563,076.46
Current Year's Restatements	1,000,000.00	2,959,747.99
<b>Fund Bal/Net Position – September 1, 2018 as Restated</b>	<b>\$ 215,881,033.98</b>	<b>\$ 727,522,824.45</b>

	General Funds	Capital Asset Adjustment
Change in Net Position – August 31, 2018 as Restated	\$ (12,867,421.10)	\$ (70,045,763.73)
Current Year's Restatements	1,000,000.00	2,959,747.99
<b>Change in Net Position – August 31, 2018 as Restated</b>	<b>\$ (11,867,421.10)</b>	<b>\$ (67,086,015.74)</b>

General Funds reported a restatement for prior period expenditures which were reclassified between Fund 5166-Deferred Maintenance, Fund 0599-Economic Stabilization Fund, and Fund 0543-Texas Capital Trust Fund in order to correctly categorize improvement projects. The restatement between these funds resulted in a net effect of zero within the General Funds category. A restatement of \$1,000,000.00 was recognized in relation to a Claims and Judgment Payable transaction which was anticipated to be paid with Agency funds during fiscal year 2019, however these claims were submitted through the Legislative Claims process.

Capital Asset Adjustments recognized a restatement in the amount of \$2,959,747.99. Of this amount, (\$125,263.41) are related to reclassification of projects to Construction in Progress. In addition,



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Building and Building Improvements restatements of \$3,000,000.00 are related to property donated to the state in August 2018 including a chapel and renovations to the Darrington. Furniture & Equipment (F&E) restatements of \$115,740.53 are related to property in state use found to not be accounted for as F&E. The related Accumulated Depreciation adjustment for F&E is (\$30,729.13). In Vehicles, Boats and Aircraft (VBA) a \$71,318.78 restatement was recognized due to previously deleted property intended to be dismantled for parts reinstated for sale, with related Accumulated Depreciation in the amount of (\$71,318.78).

**NOTE 15: CONTINGENCIES AND COMMITMENTS**

As of August 31, 2019, the Texas Department of Criminal Justice (TDCJ) had numerous tort claims, equal employment opportunity complaints, civil rights lawsuits, and employment lawsuits pending against the TDCJ and its employees. The TDCJ believes there is a reasonable possibility of an adverse ruling or settlement in the cases identified below.

Adler, Melissa v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries due to her hand being hit by the back gate at her unit of assignment. This case is in pretrial litigation. Plaintiff seeks \$250,000 in damages. The loss cannot be reasonably estimated.

Alaniz, Ruben v. Amanda Lowe, et al. – Plaintiff alleges violation of his rights under 42 U.S.C. §1983 claiming he was kept past his parole discharge date. This case is in pretrial litigation. Plaintiff seeks \$125,000 in damages. The loss cannot be reasonable estimated.

Allstate Property and Casualty Ins. Co. ASO Jacqueline Ross v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Alvarez, Joaquin v. Sarina Mendoza, et al. - Plaintiff alleges violation of his rights under 42 U.S.C. §1983 for failure to protect him from assault by his cell mate. The case has been settled. The probable loss is \$3,000.

Arnold, Ricky Ray v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injury due to a partial finger amputation. This case is in pretrial litigation. Plaintiff seeks over \$200,000 in damages. The loss cannot be reasonably estimated.

Atomanczyk, Aharon L. v. Texas Department of Criminal Justice – Plaintiff, a Jewish offender, alleges violations of the *Americans with Disabilities Act* and of the *Religious Land Use and Institutionalized Persons Act* because the TDCJ transferred him from a prison unit with the Enhanced Jewish Program and Kosher kitchen to a unit that did not have these programs in order to meet his medical needs. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Beck, Sandra v. Collier, et al. – Plaintiff alleges she was subjected to sexual harassment. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.



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Bustos, Octaviano v. TDCJ – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injury related to a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Caldwell, LaCreshia, et al v. TDPS, et al. – Plaintiff alleges racial discrimination under 42 U.S.C. 1983. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Carter, Terry v. TDCJ – Plaintiff alleges she was subjected to harassment and discrimination based upon her gender and race in violation of *Title VII of the Civil Rights Acts of 1964*. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Cato, Tina M., on behalf of the Estate of James G. Featherstone v. TDCJ – Plaintiff alleges deliberate indifference to a serious medical need resulting in an offender death. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Cervantez, Estevan v. Collier, et al. – Plaintiff alleges violation of his Fourteenth Amendment rights in this employment lawsuit. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Chavez, Leticia, Ind. and as Rep. of the Estate of John Anighoro v. J. Manuel Peralta, et al. – Plaintiff alleges deliberate indifference to an offender's serious medical need, allegedly causing his death, in violation of the Eighth Amendment and 42 U.S.C. § 1983. This case is in pretrial litigation. Plaintiff demands damages in the amount of \$5,000,000. The loss cannot be reasonably estimated.

Christopher, Blaze v. State of Texas, et al. – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. Jury verdict entered against TDCJ in the amount of \$300,000; post-trial negotiations to commence. The loss cannot be reasonably estimated.

Cloud, David v. TDCJ, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries he suffered from his work on an electrical box. This case has been set for trial. Plaintiff seeks over \$200,000 in damages. The loss cannot be reasonably estimated.

Clyburn, Allan v State of Texas, et al. - Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Coleman, Glenda v. TDCJ – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injuries. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Coleman, Venus v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Crissup, Kenneth v. Joe Smith, et al. – Plaintiff alleges violation of the Eighth Amendment and 42 U.S.C. §1983 due to being placed in a building with inadequate ventilation and high indoor temperatures. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.



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Denner, Maryanne v. TDCJ – Plaintiff alleges defendant discriminated against her for filing an EEOC complaint in violation of 42 U.S.C. §Title VII. This case is in pretrial litigation. The loss cannot be reasonably estimated.

Dockery, Ricky v. TDCJ – Plaintiff alleges racial discrimination under *Title VII of the Civil Rights Act of 1964* and 42 U.S.C. §1981. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Doerr, Magnolia v. TDCJ, et al. – Plaintiff alleges she was subjected to continual harassment and discrimination based on her age, race, national origin, and disability in violation of Title VII, 42 U.S.C. §1983. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Downing, Terry v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Duffner, Robert K. v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries he sustained at the Terrell Unit. This case is in pretrial litigation. Plaintiff seeks \$100,000 in monetary damages. The loss cannot be reasonably estimated.

Duran, Manuel v. TDCJ, et al. – Plaintiff alleges he was subjected to age and disability discrimination. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Evans, Adriana A. v. TDCJ, et al. – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injuries she sustained in a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Flores, Bibana v. TDCJ – Plaintiff alleges she was subjected to disability discrimination and retaliation in violation of the *Americans with Disabilities Act* and the Texas Labor Code. This case is in pretrial litigation. The actual damages sought are over \$200,000. The loss cannot be reasonably estimated.

Fontanez, Joel v. TDCJ, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Furr, Whitney v. TDCJ, et al. – Plaintiff alleges she was subjected to racial discrimination in this employment lawsuit. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Gooch, Michael v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case has settled. The probable loss is \$14,300.

Gray, Sharilla v. TDCJ – Plaintiff alleges violation of the *Texas Commission on Human Rights Act* for race discrimination, retaliation, and harassment. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.



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Griggs, Joyce on Behalf of Marinda Griggs v. Officer Irby, et al. – Plaintiff alleges deliberate indifference in the wrongful death of her niece. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Hale, Ambur v. TDCJ, et al. – Plaintiff claims violation of her rights under Title VII, 42 U.S.C. § 200e, et seq., when she was subjected to sexual harassment and intimidation by her male supervisor. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Hetzler, Gary v. TDCJ, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injury. This case has been set for trial. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Horton, Vochana v. TDCJ – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injuries. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Igwe, Amarachi v. TDCJ – Plaintiff alleges continual sexual harassment and that she was retaliated against in violation of Title VII. This case is in pretrial litigation. Plaintiff seeks \$250,000 in damages. The loss cannot be reasonably estimated.

In Re: Anita Martinez for Freddy Martinez, Sr. – Plaintiff alleges defendants' deliberate indifference to Freddy Martinez, Sr.'s medical condition in violation of 42 U.S.C. §1983, led to his death. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Jay, Jennifer, et al. and the Estate of Adolfo Ruiz, Jr. v. TDCJ, et al. – Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. This case has been settled.

Jackson, Douglas Marshall v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries related to a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Johnson, Nicholas, on Behalf of the Estate of Mari Anne Johnson v. TDCJ – Plaintiff alleges defendant's violation of the *Texas Tort Claims Act* caused the death of Mari Anne Johnson. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Jones, Donald Ray v. TDCJ – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injury related to a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Kilgore, Micah Ray v. Hugo Campos, et al. – Plaintiff alleges defendants used excessive force to conduct a strip search resulting in personal injuries. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

King, Liza v. TDCJ - Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries suffered as the result of a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.



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Krieg, William Henry v. Tijerina – Plaintiff alleges sexual harassment and retaliation by a TDCJ employee. Plaintiff files suit under 42 U.S.C. § 1983. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Landers, Gary L. v. TDCJ-CID - Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injury. This case is in pretrial litigation. Plaintiff seeks \$150,000 in monetary damages. The loss cannot be reasonably estimated.

Landry, Jana K., for Matthew C. Nelson v. Steven Sperry, et al. – Plaintiff alleges deliberate indifference to an offender’s serious mental health needs in violation of 42 U.S.C. §1983 which resulted in his suicide. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Larkin, Bruce v. TDCJ-CID, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injury. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Lawson, Andrew v. TDCJ – Plaintiff alleges he was subjected to a hostile work environment and discriminated against based upon his race and national origin in violation of *Title VII of the Civil Rights Act of 1964*. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The probable loss is \$20,000.

Lemelle, Clifford, et al. v. TDCJ, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries suffered as a result of a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Lenoir, Quaranto v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Lewis, Frederick Bernard v. TDCJ, et al. – Plaintiff alleges deliberate indifference to an offender’s serious mental health needs in violation of the Eighth Amendment and 42 U.S.C. §1983, which resulted in his suicide. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Lott, David v. TDCJ - Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injuries he sustained in a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

McMillian, Tommy and Robert Bailey v. TDCJ-ID, et al. – Plaintiffs allege violations 42 U.S.C. §2000e when they were subjected to racial discrimination in failing to be equally considered for promotions. This case is in pretrial litigation. No monetary damages are specified by the plaintiffs. The loss cannot be reasonably estimated.

Miles, Lindsey v. Leonor Ruiz and TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injury and property damage related to a motor vehicle accident. This case is in pretrial litigation. Plaintiff seeks \$142,500 in damages. The loss cannot be reasonably estimated.



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Millican, Harold v. TDCJ et al. - Plaintiff alleges the violation of his Eighth Amendment rights under 42 U.S.C. § 1983 and deliberate indifference to medical needs. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Mitchell, Karen v. TDCJ and UTMB, et al. – Plaintiff alleges she was subjected to sexual harassment by her male supervisor in violation of Title VII, 42 U.S.C. §2000e, *et seq.* This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Moreno, Domingo v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Moreno, Luis v. TDCJ - Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Nowlin, Davis v. The State of Texas – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injury related to a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Olmedo, Oscar v. The State of Texas – Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injury related to a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Ovalles, Lupe, et al. v. TDCJ – Plaintiffs allege violation of the U.S. Constitution under 42 U.S.C. § 1983 for an offender wrongful death while in custody. This case is in pretrial litigation. No monetary damages are specified by the plaintiffs. The loss cannot be reasonably estimated.

Parker, Sandra v. TDCJ – Plaintiff alleges a violation of the *Texas Tort Claims Act* for personal injury. Plaintiff is represented by counsel. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Patrick, Gwendolyn, et al. v. Barry Martin, et al. – Plaintiffs allege violations of the Eighth and Fourteenth Amendments under 42 U.S.C. § 1983 for an offender's death. This case is in pretrial litigation. No monetary damages are specified by the plaintiffs. The loss cannot be reasonably estimated.

Pellegrino, Holly v. TDCJ, et al. – Plaintiff alleges sexual harassment and hostile work environment under the Texas Labor Code and 42 U.S.C. §1983. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Pierce, Derrick v. TDCJ, et al. – Plaintiff alleges violation of his Eighth and Fourteenth Amendment rights under 42 U.S.C. § 1983 for deliberate indifference to his medical needs. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Pike, James Charles v. TDCJ – Plaintiff alleges a violation of the *Texas Tort Claims Act* for personal injury. This case is in pretrial litigation. No monetary damages are specified by the plaintiffs. The loss cannot be reasonably estimated.



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Pinchback, Sandra, et al. v. Officer Leon, et al. – Plaintiffs allege deliberate indifference to an offender’s medical condition in violation of the Eighth and Fourteenth Amendments under 42 U.S.C. §1983. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Pinedo, Michael v. TDCJ, et al. – Plaintiff alleges a violation of the *Texas Tort Claims Act* for personal injuries. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Ramirez, Jerry v. TDCJ-ID, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injury. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Ramirez-Sandoval, Juan v. TDCJ, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries related to a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Reyna, Jesse and Alex, for the Estate of Jesus Reyna, et al. v. TDCJ, et al. - Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. This case has been settled. The loss cannot be reasonably estimated.

Rivera, Hector v. TDCJ, et al. – Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. This case has been settled.

Rodriguez, Leslie, Individually as Next Friend Of Daiden Ramirez and Ian Ramirez v. Gary Lee Abrahams, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. The case is in pretrial litigation. Plaintiff seeks \$173,183.17 in damages. The loss cannot be reasonably estimated.

Robinson, Marcus, et al. v. James C. Brymer and TDCJ – Plaintiff allege violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Rodriguez, Damien v. TDCJ, et al. – Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. This case has been settled.

Rogers, Kevion v. TDCJ, et al.- Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Ruelas, Catherine, on behalf of Aldofo Munoz, Jr., et al. v. Carla Ford, et al. – Plaintiff claims deliberate indifference to an offender’s serious medical and mental health needs resulting in his death. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Seabourn, Janie, as the Personal Representative of the Estate of Ronald G. Seabourn v. TDCJ, et al. – Plaintiff alleges deliberate indifference to a serious medical condition resulting in offender Seabourn’s death. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.



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Sheppard, Curtis Lee v. Brad Livingston, et al. – Plaintiff alleges violation of the *Religious Land Use and Institutionalized Persons Act* and the First Amendment because the TDCJ does not allow plaintiff to grow long hair in accordance with his religious beliefs. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Shoefstall, Tommy, v. John Starliper, et al. – Plaintiff alleges deliberate indifference, failure to protect, and Eighth Amendment violations. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Silva, Maria v. TDCJ - Plaintiff alleges violations of the *Texas Tort Claims Act* for personal injuries she sustained in a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Smith, Jennifer Nicole, Ind. and As Next Friend of C.L., a minor, v. Johnny Broomas - Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. Plaintiff has demanded \$250,000. The loss cannot be reasonably estimated.

Smith, Michael v. James McKee – Plaintiff alleges violation of his rights under 42 U.S.C §1983 for deliberate indifference to his safety while performing his job duties and resulting in personal injury. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Solis, Arturo v. TDCJ – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained in a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Tarver, Tyson, Sr. v. TDCJ-ID, et al. – Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Taylor, Daniel v. TDCJ - Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries. The case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Thoele, Troy v. TDCJ, et al. – Plaintiff allege violation of the *Texas Tort Claims Act* for personal injuries sustained while working in the Huntsville Unit garment factory. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Townsend, Karl, et al. v. TDCJ, et al. – Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. This case has been settled.

Truelove, Nicole v. TDCJ, et al. – Plaintiff alleges violations of Title VII, 42 U.S.C. §2000e, *et seq.*, and Title IX, 20 U.S.C. §1681, *et seq.* This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Vasquez, Monica, et al. v TDCJ, et al. – Plaintiffs allege violation of the *Texas Tort Claims Act* for an offender wrongful death. This case has been settled.



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Vorwerk, Michelle v. HEB, Grocery Company L.P., d/b/a HEB, et al. – Plaintiff alleges the TDCJ is liable for failing to prevent a parolee from causing injury. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Walls, Patricia v. Michael Waddell and the State of Texas, TDCJ, et al. - Plaintiff alleges violation of the *Texas Tort Claims Act* for personal injuries sustained as a result of a motor vehicle accident. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Walters, Mark, et al. v. Brad Livingston (3002356) – Plaintiffs allege violations of the First Amendment rights of all of the Native Americans on the Hughes Unit, claiming the religion a ceremonial pipe-smoking religious service. This case is in pretrial litigation. No monetary damages are specified by the plaintiffs. The loss cannot be reasonably estimated.

Walters, Mark v. Bryan Collier (17005024) – Plaintiff alleges violation of the *Texas Religious Freedom and Restoration Act* because the TDCJ does not allow former offenders, acting on their own behalf, onto the units to spiritually advise Native American offenders. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

Womack, Keri, Individually and as the heir and representative of the Estate of Sawyer Letcher v. UTMB, et al. – Plaintiff alleges deliberate indifference in the wrongful death of her son. This case is in pretrial litigation. No monetary damages are specified by the plaintiff. The loss cannot be reasonably estimated.

**NOTE 16: SUBSEQUENT EVENTS**

The Agency did not have any disclosures for fiscal 2019.

**NOTE 17: RISK MANAGEMENT**

The TDCJ is exposed to a variety of civil claims resulting from the performance of its duties. The Agency assumes substantially all risks associated with tort and liability claims due to the performance of its duties. Currently there is no purchase of commercial insurance, nor is the Agency involved in any risk pools with other government entities. The Agency’s liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience, and economic factors. Changes in the balances of the Agency’s contingent liabilities during fiscal year 2018 and 2019 were:

Year	Beginning Balance	Restatement	Beginning Balance, as Restated	Increases	Decreases	Ending Balance
2018	105,000.00	-	105,000.00	4,376,355.34	(3,307,605.34)	1,173,750.00
* 2019	1,173,750.00	(1,000,000.00)	173,750.00	388,063.77	(524,513.77)	37,300.00

\* The Agency recognized a restatement for fiscal 2019 which relates to the prior fiscal year 2018 Claims and Judgement payable transaction which was anticipated to be paid with Agency funds during fiscal year 2019, however these claims were submitted through the Legislative Claims process. (See Note 14).



**NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS  
(Material Changes to AFR)**

The TDCJ incurred approximately \$3.2 million in expenditures for the response and recovery from Hurricane Harvey. The Federal Emergency Management Agency reimbursed TDCJ approximately \$3.1 million in fiscal year 2019. The TDCJ also received \$38.6 million in supplemental appropriations to restore the funds put forth for the state's disaster response to Hurricane Harvey in fiscal year 2018.

Fiscal and operational challenges in fiscal year 2019 included correctional staffing levels resulting in a \$30 million supplemental appropriation for correctional salaries and overtime; and increases in medical care and offsite hospital costs that necessitated a \$190 million supplemental appropriation for Correctional Managed Health Care through Senate Bill 500, 86<sup>th</sup> Legislature.

**NOTE 19: THE FINANCIAL REPORTING ENTITY**

The Windham School District (WSD) was established by the Texas Legislature as an entity separate and distinct from the TDCJ, with the sole purpose of providing education to offenders, wards of the state, within the TDCJ. Even though WSD is a legal separate entity, it is reported as if it were a part of the primary government as a blended component unit based on several criteria. A voting majority of WSD's board is appointed by the Primary Government. The Governor appoints the members of the Texas Board of Criminal Justice who in turn also serve as the Board of Trustees for the WSD. The imposition of will criteria is met by the ability of the Primary Government to modify or approve the budget of the WSD through the appropriation of funds in the General Appropriations Act (GAA). In following the funding to the WSD through the GAA, the WSD's total debt outstanding would be expected to be repaid by the Primary Government through those appropriations. The WSD's financial data is reported in the Special Revenue Fund (D22 fund 9999, USAS D23 fund 0991) of the Governmental Fund Type in this Agency's report. The fiscal year end for WSD is August 31. WSD does not issue separate financial statements.

**NOTE 20: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The Agency did not have any disclosures for fiscal 2019.

**NOTE 21: N/A**

**NOTE 22: DONOR RESTRICTED ENDOWMENTS**

Currently not applicable.

**NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS**

Currently not applicable.



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**NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

Federal Receivable Program	Federal Receivables	
U. S. Department of Agriculture	\$	614.91
Support for Adam Walsh Act Implementation Grant Program		31,634.54
Comprehensive Opioid Abuse Site-Based Program		9,256.00
Second Chance Act Reentry Initiative		99,705.45
	\$	<b>141,210.90</b>

As Reported on the Financial Statements	Net Federal Receivables	
Current Federal Receivables	\$	141,210.90
<b>Total Net Federal Receivables</b>	<b>\$</b>	<b>141,210.90</b>

**NOTE 25: TERMINATION BENEFITS**

Currently not applicable.

**NOTE 26: SEGMENT INFORMATION**

Currently not applicable.

**NOTE 27: SERVICE CONCESSION ARRANGEMENTS**

Currently not applicable.

**NOTE 28: DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES**

For fiscal year 2019, the TDCJ reported deferred inflows of resources due to various types of revenues earned but not available at the fiscal year end.

The table below presents the balance of deferred inflows of resources as of August 31, 2019 for governmental funds.

As reported on the Financial Statements	Deferred Outflows of Resources		Deferred Inflows of Resources	
<i>Governmental Funds</i>				
Revenue Earned But Not Available	\$	-	\$	1,197,559.78
<b>Total Deferred Inflow of Resources (Exh. I)</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>1,197,559.78</b>

**NOTE 29: TROUBLED DEBT RESTRUCTURING**

Currently not applicable.



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**NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES**

Currently not applicable.

**NOTE 31: TAX ABATEMENTS**

Currently not applicable.

**NOTE 32: FUND BALANCES**

The TDCJ has the following restrictions/covenants causing fund balances to be classified as restricted or committed:

GAAP Fund	Fund	AFR Class	Citation	Comments
0001	0019	Restricted	Federal CFDA 16.575	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.606	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.735	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.738	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.745	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.750	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.812	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 16.838	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 93.917	Federal funds are externally imposed by federal government agencies.
0001	0019	Restricted	Federal CFDA 97.036	Federal funds are externally imposed by federal government agencies.
9999	0991	Committed	Texas Education Code § 19	The Windham School District was established with the sole purpose of providing education to wards of the state within the Texas Department of Criminal Justice.



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**EXHIBIT A-1 - COMBINING BALANCE SHEET - ALL GENERAL AND CONSOLIDATED FUNDS**  
August 31, 2019

	GENERAL	
	FUND (0001) U/F (0001),(0014), (0017), (0019) & (1100)	TEXAS CAPITAL TRUST (0543) U/F (0543)
<b>ASSETS</b>		
Current Assets:		
Cash:		
Cash on Hand	\$ 500.00	\$
Cash in Bank	727,375.00	
Cash in State Treasury		
Legislative Appropriations	342,096,566.88	
Receivables from:		
Federal	141,210.90	
Accounts Receivable	13,081,518.71	
Due From Other Funds	22,436.79	
Due From Other Agencies	196,837.80	
Consumable Inventories	75,719,124.62	
Merchandise Inventories	52,730,476.00	
Prepaid Items	54,788.25	
Total Current Assets	484,770,834.95	0.00
Non-Current Assets:		
Total Non-Current Assets	0.00	0.00
<b>TOTAL ASSETS</b>	<b>484,770,834.95</b>	<b>0.00</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES:</b>		
Current Liabilities:		
Payables from:		
Accounts	88,037,925.94	
Payroll	170,189,556.18	
Contracts		
Due To Other Funds	48,163.24	
Total Current Liabilities	258,275,645.36	0.00
Non-Current Liabilities:		
Total Non-Current Liabilities	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>258,275,645.36</b>	<b>0.00</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>		
Deferred Inflow of Resources (Note 28)	1,197,559.78	
<b>TOTAL DEFERRED INFLOW OF RESOURCES</b>	<b>1,197,559.78</b>	
<b>FUND BALANCES (DEFICITS):</b>		
Nonspendable for:		
Inventory	128,449,600.62	
Prepaid Items	54,788.25	
Restricted	4,281,351.56	
Committed		
Unassigned	92,511,889.38	
<b>TOTAL FUND BALANCE</b>	<b>225,297,629.81</b>	<b>0.00</b>
<b>TOTAL LIABILITIES AND</b>		
<b>FUND BALANCES</b>	<b>\$ 484,770,834.95</b>	<b>\$ 0.00</b>

The accompanying notes to the financial statements are an integral part of this financial statement.



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

CONSOLIDATED ACCOUNTS			
ECONOMIC STABILIZATION FUND (0599) U/F (0599)	PRIVATE SECTOR PRISON INDUSTRY EXPANSION (5060) U/F (5060)	DEFERRED MAINTENANCE (5166) U/F (5166)	TOTAL
			500.00
			727,375.00
	998,438.86		998,438.86
			342,096,566.88
			141,210.90
			13,081,518.71
			22,436.79
2,534,484.59			2,731,322.39
			75,719,124.62
			52,730,476.00
			54,788.25
<u>2,534,484.59</u>	<u>998,438.86</u>	<u>0.00</u>	<u>488,303,758.40</u>
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>2,534,484.59</u>	<u>998,438.86</u>	<u>0.00</u>	<u>488,303,758.40</u>
			1,326,561.03
	1,645.13		89,366,132.10
			170,189,556.18
1,207,923.56			1,207,923.56
			48,163.24
<u>2,534,484.59</u>	<u>1,645.13</u>	<u>0.00</u>	<u>260,811,775.08</u>
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>2,534,484.59</u>	<u>1,645.13</u>	<u>0.00</u>	<u>260,811,775.08</u>
			1,197,559.78
			1,197,559.78
			128,449,600.62
			54,788.25
			4,281,351.56
	996,793.73		996,793.73
			92,511,889.38
<u>0.00</u>	<u>996,793.73</u>	<u>0.00</u>	<u>226,294,423.54</u>
<u>\$ 2,534,484.59</u>	<u>\$ 998,438.86</u>	<u>\$ 0.00</u>	<u>\$ 488,303,758.40</u>



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

**EXHIBIT A-2 - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - ALL GENERAL AND CONSOLIDATED FUNDS  
 For the Fiscal Year Ended August 31, 2019**

	GENERAL	
	FUND (0001) U/F (0001),(0014), (0017), (0019) & (1100)	TEXAS CAPITAL TRUST (0543) U/F (0543)
<b>REVENUES</b>		
Legislative Appropriations:		
Original Appropriations (GR)	\$ 3,197,732,771.00	\$
Additional Appropriations (GR)	546,375,323.46	
Federal Revenues (PR, Operating, or Capital)	13,299,525.80	
Federal Grant Pass Through Revenues (PR)	4,152,120.22	
State Grant Pass Through Revenues (PR)	649,099.67	
Licenses, Fees, and Permits (PR)	3,110,783.75	
Interest and Other Investment Income (GR)	9,888.30	
Land Income (PR)	3,341,001.97	25,000.00
Settlement of Claims (GR)	69,319.27	
Sales of Goods and Services (PR)	61,601,077.21	
Other (GR)	6,065,751.30	
<b>TOTAL REVENUES</b>	<b>3,836,406,661.95</b>	<b>25,000.00</b>
<b>EXPENDITURES</b>		
Salaries and Wages	1,608,512,359.17	
Payroll Related Costs	572,276,045.71	
Professional Fees and Services	720,624,500.29	373,783.84
Travel	14,479,502.69	
Materials and Supplies	274,231,055.39	
Communication and Utilities	124,635,073.39	
Repairs and Maintenance	20,927,970.24	316,854.41
Rentals and Leases	24,684,542.13	
Printing and Reproduction	284,080.51	
Claims and Judgements	524,513.77	
Intergovernmental Payments	245,593,175.30	
Public Assistance Payments	183,480,110.73	
Other Expenditures	30,152,816.03	113.29
Capital Outlay	16,160,424.03	1,928,657.27
<b>TOTAL EXPENDITURES</b>	<b>3,836,566,169.38</b>	<b>2,619,408.81</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		
	\$ (159,507.43)	\$ (2,594,408.81)



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**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

CONSOLIDATED ACCOUNTS			
ECONOMIC STABILIZATION FUND (0599) U/F (0599)	PRIVATE SECTOR PRISON INDUSTRY EXPANSION (5060) U/F (5060)	DEFERRED MAINTENANCE (5166) U/F (5166)	TOTAL
			3,197,732,771.00
			546,375,323.46
			13,299,525.80
			4,152,120.22
			649,099.67
			3,110,783.75
			9,888.30
			3,366,001.97
			69,319.27
			61,601,077.21
			6,065,751.30
0.00	0.00	0.00	3,836,431,661.95
			1,647,112,483.12
38,600,000.00	123.95		572,316,391.42
	40,345.71		721,542,466.50
290,290.33		253,892.04	14,479,502.69
828,704.84			275,059,760.23
3,206.00			124,638,279.39
13,909,127.20		1,454,105.02	36,608,056.87
9,100.60			24,693,642.73
			284,080.51
			524,513.77
			245,593,175.30
	30,205.42		183,510,316.15
64,536.23		29.69	30,217,495.24
4,075,261.40		1,000,161.50	23,164,504.20
57,780,226.60	70,675.08	2,708,188.25	3,899,744,668.12
\$ (57,780,226.60)	\$ (70,675.08)	\$ (2,708,188.25)	\$ (63,313,006.17)



**UNAUDITED**  
TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**EXHIBIT A-2 - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GENERAL AND CONSOLIDATED FUNDS (Continued)**  
For the Fiscal Year Ended August 31, 2019

	GENERAL	
	FUND (0001) U/F (0001),(0014), (0017), (0019) & (1100)	TEXAS CAPITAL TRUST (0543) U/F (0543)
<b>OTHER FINANCING SOURCES (USES):</b>		
Sale of Capital Assets	\$ 115,770.90	\$ 2,946,191.01
Interagency Transfer of Capital Assets	(16,555.00)	
Insurance Recoveries	217,040.94	
Transfers In	10,902,657.85	233,138.05
Transfers Out	(2,420,544.85)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>8,798,369.84</b>	<b>3,179,329.06</b>
<b>NET CHANGE IN FUND BALANCES</b>		
	<b>8,638,862.41</b>	<b>584,920.25</b>
<b>FUND FINANCIAL STATEMENT - FUND BALANCES</b>		
<b>Fund Balances - September 1, 2018</b>	213,888,841.14	
Restatements	1,000,000.00	(584,920.25)
<b>Fund Balances, September 1, 2018, as Restated</b>	<b>214,888,841.14</b>	<b>(584,920.25)</b>
Appropriations Lapsed	1,769,926.26	
<b>FUND BALANCES - August 31, 2019</b>	<b>\$ 225,297,629.81</b>	<b>\$ 0.00</b>

The accompanying notes to the financial statements are an integral part of this financial statement.



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

CONSOLIDATED ACCOUNTS				
ECONOMIC STABILIZATION FUND (0599) U/F (0599)	PRIVATE SECTOR PRISON INDUSTRIES EXPANSION (5060) U/F (5060)	DEFERRED MAINTENANCE (5166) U/F (5166)	TOTAL	
\$	\$	\$	\$	3,061,961.91
				(16,555.00)
				217,040.94
56,335,688.32	75,275.97	3,483,571.96		71,030,332.15
84,234.32				(2,336,310.53)
56,419,922.64	75,275.97	3,483,571.96		71,956,469.47
(1,360,303.96)	4,600.89	775,383.71		8,643,463.30
	992,192.84			214,881,033.98
1,360,303.96		(775,383.71)		1,000,000.00
1,360,303.96	992,192.84	(775,383.71)		215,881,033.98
				1,769,926.26
\$ 0.00	\$ 996,793.73	\$ 0.00	\$	226,294,423.54



**UNAUDITED**  
TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**EXHIBIT J-1 - COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS**  
**August 31, 2019**

	Balances September 1, 2018	Additions	Deductions	Balances August 31, 2019
<b>OTHER AGENCY FUNDS</b>				
<b>Child Support Addenda Deducts (0807) U/F (8070)</b>				
Assets:				
Cash in State Treasury	\$ 1,096,854.10	\$ 14,304,318.43	\$ 14,410,351.42	\$ 990,821.11
<b>Total Assets</b>	<b>1,096,854.10</b>	<b>14,304,318.43</b>	<b>14,410,351.42</b>	<b>990,821.11</b>
Liabilities:				
Vouchers Payable	0.00	13,183,831.16	13,183,831.16	0.00
Funds Held in Custody for Others	1,096,854.10	14,304,318.43	14,410,351.42	990,821.11
<b>Total Liabilities</b>	<b>\$ 1,096,854.10</b>	<b>\$ 27,488,149.59</b>	<b>\$ 27,594,182.58</b>	<b>\$ 990,821.11</b>
<b>Suspense Fund (0900) U/F (0900)</b>				
Assets:				
Cash in State Treasury	\$ 138,390.95	\$ 2,828,224.82	\$ 2,834,968.36	\$ 131,647.41
<b>Total Assets</b>	<b>138,390.95</b>	<b>2,828,224.82</b>	<b>2,834,968.36</b>	<b>131,647.41</b>
Liabilities:				
Vouchers Payable	0.00	13,458.85	13,458.85	0.00
Funds Held in Custody for Others	138,390.95	2,828,281.90	2,835,025.44	131,647.41
<b>Total Liabilities</b>	<b>\$ 138,390.95</b>	<b>\$ 2,841,740.75</b>	<b>\$ 2,848,484.29</b>	<b>\$ 131,647.41</b>
<b>USPS Overpayments to Employees Fund (0900) U/F (9015)</b>				
Assets:				
Cash in State Treasury	\$ 1,339,953.19	2,115,931.29	1,548,988.81	1,906,895.67
<b>Total Assets</b>	<b>1,339,953.19</b>	<b>2,115,931.29</b>	<b>1,548,988.81</b>	<b>1,906,895.67</b>
Liabilities:				
Funds Held in Custody for Others	1,339,953.19	2,115,931.29	1,548,988.81	1,906,895.67
<b>Total Liabilities</b>	<b>\$ 1,339,953.19</b>	<b>\$ 2,115,931.29</b>	<b>\$ 1,548,988.81</b>	<b>\$ 1,906,895.67</b>
<b>Warrant Hold Offset Fund (0900) U/F (9016)</b>				
Assets:				
Cash in State Treasury	\$ 0.00	\$ 26,414.90	\$ 26,414.90	\$ 0.00
<b>Total Assets</b>	<b>0.00</b>	<b>26,414.90</b>	<b>26,414.90</b>	<b>0.00</b>
Liabilities:				
Funds Held in Custody for Others	0.00	26,414.90	26,414.90	0.00
<b>Total Liabilities</b>	<b>\$ 0.00</b>	<b>\$ 26,414.90</b>	<b>\$ 26,414.90</b>	<b>\$ 0.00</b>



**UNAUDITED**  
TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**EXHIBIT J-1 - COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES-AGENCY FUNDS (Continued)**  
August 31, 2019

	Balances September 1, 2018	Additions	Deductions	Balances August 31, 2019
<b>Direct Deposit Correction Fund (0980) U/F (0980)</b>				
Assets:				
Cash in State Treasury	\$ 9,334.35	\$ 169,694.00	\$ 175,306.53	\$ 3,721.82
<b>Total Assets</b>	<b>9,334.35</b>	<b>169,694.00</b>	<b>175,306.53</b>	<b>3,721.82</b>
Liabilities:				
Funds Held in Custody for Others	9,334.35	169,694.00	175,306.53	3,721.82
<b>Total Liabilities</b>	<b>\$ 9,334.35</b>	<b>\$ 169,694.00</b>	<b>\$ 175,306.53</b>	<b>\$ 3,721.82</b>
<b>USPS Direct Deposit Returned Money Fund (0980) U/F (9014)</b>				
Assets:				
Cash in State Treasury	\$ 0.00	\$ 496,449.31	\$ 496,449.31	\$ 0.00
<b>Total Assets</b>	<b>0.00</b>	<b>496,449.31</b>	<b>496,449.31</b>	<b>0.00</b>
Liabilities:				
Funds Held in Custody for Others	0.00	496,449.31	496,449.31	0.00
<b>Total Liabilities</b>	<b>\$ 0.00</b>	<b>\$ 496,449.31</b>	<b>\$ 496,449.31</b>	<b>\$ 0.00</b>
<b>Restitution Fund (0984) U/F (0984)</b>				
Assets:				
Cash in State Treasury	\$ 4,790,469.91	\$ 6,422,454.72	\$ 6,203,908.18	\$ 5,009,016.45
<b>Total Assets</b>	<b>4,790,469.91</b>	<b>6,422,454.72</b>	<b>6,203,908.18</b>	<b>5,009,016.45</b>
Liabilities:				
Vouchers Payable	0.00	849,250.31	849,250.31	0.00
Funds Held in Custody for Others	4,790,469.91	1,437,996.07	1,219,449.53	5,009,016.45
<b>Total Liabilities</b>	<b>\$ 4,790,469.91</b>	<b>\$ 2,287,246.38</b>	<b>\$ 2,068,699.84</b>	<b>\$ 5,009,016.45</b>
<b>TOTALS - ALL AGENCY FUNDS</b>				
Assets:				
Cash in State Treasury	\$ 7,375,002.50	\$ 26,363,487.47	\$ 25,696,387.51	\$ 8,042,102.46
<b>Total Assets</b>	<b>7,375,002.50</b>	<b>26,363,487.47</b>	<b>25,696,387.51</b>	<b>8,042,102.46</b>
Liabilities:				
Vouchers Payable	0.00	14,046,540.32	14,046,540.32	0.00
Funds Held in Custody for Others	7,375,002.50	21,379,085.90	20,711,985.94	8,042,102.46
<b>Total Liabilities</b>	<b>\$ 7,375,002.50</b>	<b>\$ 35,425,626.22</b>	<b>\$ 34,758,526.26</b>	<b>\$ 8,042,102.46</b>

The accompanying notes to the financial statements are an integral part of this financial statement.



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

**SCHEDULE 1A**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 For the Fiscal Year Ended August 31, 2019  
**\*\*\*Certified\*\*\***

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	Identifying Number	Agy./ Univ. #	Pass-through From		Direct Program Amount	Total PT From & Direct Program
				Agencies or Univ. Amount	Non-State Entities Amount		
<b>U.S. Department of Agriculture</b>							
<u>Direct Programs:</u>							
U.S. Department of Agriculture	10.000	U4129				65,422.92	65,422.92
Totals - U.S. Department of Agriculture						65,422.92	65,422.92
<b>General Services Administration</b>							
<u>Pass-Through From:</u>							
Donation of Federal Surplus Personal Property (Non-monetary)	39.003						27,068.41
<u>Pass-Through From:</u>							
<i>Texas Facilities Commission</i>			303	27,068.41			
Totals - General Services Administration				27,068.41			27,068.41
<b>Institute of Museum and Library Services</b>							
<u>Pass-Through From:</u>							
Grants to States	45.310						74,185.71
<u>Pass-Through From:</u>							
<i>Texas State Libraries and Archives Commission</i>			306	74,185.71			
Totals - Institute of Museum and Library Services				74,185.71			74,185.71
<b>U.S. Department of Justice</b>							
<u>Direct Programs:</u>							
State Criminal Alien Assistance Program	16.606					12,801,138.00	12,801,138.00
PREA Program: Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities	16.735					77,960.96	77,960.96
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745					(276.96)	(276.96)
Support for Adam Walsh Act Implementation Grant Program	16.750					107,521.04	107,521.04
Second Chance Act Reentry Initiative	16.812					216,280.61	216,280.61
Comprehensive Opioid Abuse Site-Based Program	16.838					31,459.23	31,459.23
<u>Pass-Through From:</u>							
Crime Victim Assistance	16.575						641,621.91
<u>Pass-Through From:</u>							
<i>Governor - Fiscal</i>			300	641,621.91			
Edward Byrne Memorial Justice Assistance Grant Program	16.738						662.52
<u>Pass-Through From:</u>							
<i>Governor - Fiscal</i>			300	662.52			
Totals - U.S. Department of Justice				642,284.43		13,234,082.88	13,876,367.31
<b>U.S. Department of Education</b>							
<u>Pass-Through From:</u>							
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013						1,029,541.31
<u>Pass-Through From:</u>							
<i>Texas Education Agency</i>			701	1,029,541.31			
Career and Technical Education -- Basic Grants to States	84.048						828,654.86
<u>Pass-Through From:</u>							
<i>Texas Education Agency</i>			701	828,654.86			
Supporting Effective Instruction State Grant	84.367						18,546.25
<u>Pass-Through From:</u>							
<i>Texas Education Agency</i>			701	18,546.25			
Totals - U.S. Department of Education				1,876,742.42			1,876,742.42



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**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

Pass-through To				
Agy./ Univ. #	Agencies or Univ. Amount	Non-State Entities Amount	Expenditures Amount	Total PT To & Expenditures
			65,422.92	65,422.92
			65,422.92	65,422.92
			27,068.41	27,068.41
			27,068.41	27,068.41
			74,185.71	74,185.71
			74,185.71	74,185.71
			12,801,138.00	12,801,138.00
			77,960.96	77,960.96
			(276.96)	(276.96)
			107,521.04	107,521.04
			216,280.61	216,280.61
			31,459.23	31,459.23
			641,621.91	641,621.91
			662.52	662.52
			13,876,367.31	13,876,367.31
			1,029,541.31	1,029,541.31
			828,654.86	828,654.86
			18,546.25	18,546.25
			1,876,742.42	1,876,742.42



**UNAUDITED**  
**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**

SCHEDULE 1A  
 TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
 For the Fiscal Year Ended August 31, 2019  
**\*\*\*Certified\*\*\***

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	Identifying Number	Agy./ Univ. #	Pass-through From		Direct Program Amount	Total PT From & Direct Program
				Agencies or Univ. Amount	Non-State Entities Amount		
<b>Special Education (IDEA) Cluster</b>							
<b>U.S. Department of Education</b>							
<u>Pass-Through From:</u>							
Special Education Grants to States	84.027						211,604.59
<u>Pass-Through From:</u>							
<i>Texas Education Agency</i>			701	211,604.59			
Totals - U.S. Department of Education				211,604.59			211,604.59
<b>U.S. Department of Health and Human Services</b>							
<u>Pass-Through From:</u>							
HIV Care Formula Grants	93.917						362,647.79
<u>Pass-Through From:</u>							
<i>Department of State Health Services</i>			537	362,647.79			
Totals - U.S. Department of Health and Human Services				362,647.79			362,647.79
<b>U.S. Department of Homeland Security</b>							
<u>Pass-Through From:</u>							
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036						3,229,913.45
<u>Pass-Through From:</u>							
<i>Department of Public Safety</i>			405	3,229,913.45			
Totals - U.S. Department of Homeland Security				3,229,913.45			3,229,913.45
<b>Total Expenditures of Federal Awards</b>				<b>\$ 6,424,446.80</b>	<b>\$ -</b>	<b>\$ 13,299,525.80</b>	<b>\$ 19,723,972.60</b>



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 TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

Agy./ Univ. #	Pass-through To		Expenditures Amount	Total PT To & Expenditures
	Agencies or Univ. Amount	Non-State Entities Amount		
			211,604.59	211,604.59
			<u>211,604.59</u>	<u>211,604.59</u>
			362,647.79	362,647.79
			<u>362,647.79</u>	<u>362,647.79</u>
			3,229,913.45	3,229,913.45
			<u>3,229,913.45</u>	<u>3,229,913.45</u>
	\$ -	\$ -	<u>\$ 19,723,972.60</u>	<u>\$ 19,723,972.60</u>



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TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**SCHEDULE 1A (Continued)**

**Note 1: Non-Monetary Assistance**

The "Donation of Federal Surplus Personal Property" is presented at 22.47% of the federal acquisition cost of \$120,464.67. The surplus property is passed through from the Texas Facilities Commission. The federal grantor agency is the General Services Administration (GSA) and the federal Catalog of Federal Domestic Assistance, CFDA, number is 39.003. The estimated fair market value for fiscal year 2019 is \$27,068.41.

**Note 2: Reconciliation**

Below is a reconciliation of the total of federal pass-through and federal expenditures as reported on the Schedule of Federal Financial Assistance to the total of **federal revenues** and **federal pass-through revenues** as reported in the general-purpose financial statements. Generally, federal funds are not earned until expended; therefore, revenues equal federal expenditures for the reporting period.

Per combined Statement of Revenues Expenditures, and Changes in Fund Balance – Government Fund Types (Exh II):	
Federal Revenues (Exh II)	\$ 13,299,525.80
Federal Pass-Through Revenues (Exh II)	<u>\$ 6,397,378.39</u>
Subtotal	<u>\$ 19,696,904.19</u>

**RECONCILING ITEMS:**

Agency Funds Federal Pass-Through: Non-Monetary	
Federal Surplus Property Expenditures per Federal Schedule	\$ 27,068.41
 Total Pass-Through and Expenditures per Federal Schedule	 <u>\$ 19,723,972.60</u>

\*An amount of \$82,275.45 is represented in Exhibit II as direct revenue but this will be reclassified to pass-through revenue per the Comptroller's Office during the CAFR process. This change is a result of another state agency not recognizing Windham School District as a blended component unit of TDCJ.

**Note 8: Disaster Grants-Public Assistance (Presidentially Declared Disasters) (CFDA 97.036)**

After a presidentially declared disaster, FEMA provides Disaster Grants-Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) to reimburse eligible costs associated with repair, replacement or restoration of disaster-damaged facilities. The federal government makes reimbursements in the form of cost-shared grants that require state matching funds. In 2019, FEMA approved payments and the Agency received reimbursement of \$26,725.29 of eligible expenditures that were incurred and listed on FEMA Project Worksheets that were approved in prior years.



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TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

**SCHEDULE 1B**

**TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)**  
**SCHEDULE OF STATE GRANT PASS-THROUGHS**  
**FROM/TO STATE AGENCIES**  
For the fiscal year ended August 31, 2019

<b>Pass-through From</b>	<b>Grant ID</b>	<b>Agency Number</b>	<b>Amount</b>
TDCJ Other Victim Assistance Grant OFFICE OF THE ATTORNEY GENERAL	302.0008	302	173,534.67
North STAR Program HEALTH AND HUMAN SERVICES COMMISSION	529.0001	529	475,565.00
FSP - Windham School District TEXAS EDUCATION AGENCY	701.0020	701	51,182,720.00
Instructional Materials Allotment TEXAS EDUCATION AGENCY	701.0048	701	1,164,252.82
Total Pass-Through from Other Agencies (Exh. II):			\$ <u><u>52,996,072.49</u></u>



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TEXAS DEPARTMENT OF CRIMINAL JUSTICE (696)

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**ADDENDA**

**ORGANIZATIONAL AND GENERAL COMMENTS**

The original Texas Constitution directed the Legislature to "Provide for the erection of a penitentiary." Accordingly, in 1846, the first legislature passed an act providing for the building of a penitentiary and the organization of prison management. On August 15, 1848, Texas Governor George T. Wood approved plans for a penitentiary building to be constructed on a "beautiful eminence in the town of Huntsville, the county seat of the County of Walker." In 1849, the first penitentiary began operating with an offender population of three. Since that early beginning, the Texas Department of Criminal Justice (TDCJ) has expanded to 50 prison facilities, four pre-release facilities, three psychiatric facilities, one Developmentally Disabled Program facility, two medical facilities, 13 transfer facilities, 14 state jail facilities, three privately operated state jails, seven private prisons, five substance abuse facilities, one multi-use facility, two parole intermediate sanction facilities, and one geriatric facility. The TDCJ also operates two work camps, one of which is located within a prison facility and the other at a transfer facility. The TDCJ also provides funding, training, and assistance to 122 local community supervision and corrections departments.

Texas Board of Criminal Justice

The Texas Board of Criminal Justice (TBCJ) provides oversight to the TDCJ. The TBCJ's responsibilities include appointing the executive director and approving rules and policies that guide the TDCJ. TBCJ members also serve as the Board of Trustees for the Windham School District (WSD), which is a separate entity. In this capacity, the Board of Trustees is responsible for providing oversight to the WSD and the hiring of the school system's superintendent. Members serving as of August 31, 2019, follow below:

<u>Name</u>	<u>City</u>	<u>Term Expires</u>
Hon. Dale Wainwright, Chairman	Austin	02/01/2021
Mr. R. Terrell McCombs, Vice-Chairman	San Antonio	02/01/2019
Mr. John "Eric" Gambrell, Secretary	Highland Park	02/01/2019
Mr. E.F. "Mano" DeAyala, Member	Houston	02/01/2023
Mr. Thomas G. Fordyce, Member	Huntsville	02/01/2021
Pastor Larry D. Miles, Member	Amarillo	02/01/2023
Mr. Patrick O'Daniel, Member	Austin	02/01/2023
Ms. Derrelynn Perryman, Member	Fort Worth	02/01/2021
Hon. Thomas P. Wingate, Member	Mission	02/01/2019



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Texas Department of Criminal Justice

An executive director, who is appointed by the TBCJ, administers and leads the TDCJ. The TDCJ has four confinement or supervision divisions – the Community Justice Assistance Division, Correctional Institutions Division, Private Facility Contract Monitoring/Oversight Division, and Parole Division. The TDCJ also has a variety of support services divisions.

Community Justice Assistance Division

The Community Justice Assistance Division (CJAD) is responsible for the oversight of 122 community supervision and corrections departments (CSCDs) in Texas. The CSCDs are organized by local districts and provide supervision services to 254 counties. The division's primary duties include the distribution of formula and grant funds; developing standards, which include best-practice treatment standards; receiving and scoring grant applications, accepting strategic plans, and reviewing and evaluating budgets; conducting program and fiscal evaluations; providing in-service training and technical assistance to CSCDs; providing direction on allowable and unallowable expenses; evaluating program effectiveness; reporting statistical data to federal, state, and local governing bodies; promoting the implementation of evidence-based practices, including progressive sanctions models and incentives; and maintaining the Community Supervision Tracking System/Intermediate System (CSTS/ISYS). Based on a statewide average, approximately 65% of CSCDs' budget is state funded and allocated by CJAD. Other funds, such as court-ordered supervision fees, meet the CSCDs remaining budget needs. County governments provide CSCDs with office space, equipment, and utilities.

Correctional Institutions Division

The Correctional Institutions Division (CID) is responsible for the confinement of adult felony and state jail felony offenders. At the end of fiscal year 2019, a total of 142,230 offenders were incarcerated in TDCJ facilities, consisting of 132,469 prison offenders, 6,178 state jail offenders, 3,523 substance abuse felony punishment offenders, and 60 parole intermediate sanction offenders. The division is also responsible for administering the following support functions: classification and records; offender transportation; and laundry, food, and unit supply services.

Private Facility Contract Monitoring/Oversight Division

The Private Facility Contract Monitoring/Oversight Division (PFCMOD) is responsible for oversight and monitoring of contracts for privately operated prison and jail facilities as well as community-based facilities, which includes substance abuse treatment services. The division's responsibilities include oversight and monitoring of seven private correctional centers, three private state jails, one work program co-located on a private correctional center, one multi-use facility, eight privately operated residential reentry centers, two county jail work release program sites, 19 residential substance abuse aftercare treatment sites, and 79 outpatient substance abuse continuum of care sites (community-based transitional treatment centers). The PFCMOD is responsible for monitoring 12 privately operated Substance Abuse Felony Punishment Facilities/In-Prison Therapeutic Community programs, three Driving While Intoxicated programs, two Intermediate Sanction Facilities, one female cognitive pre-release program, and six State Jail Substance Abuse Programs that are co-located on state run facilities. During fiscal year 2019, the PFCMOD monitored a contracted total of 14,925 beds and 16,229 treatment slots.



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Parole Division

The Parole Division supervises offenders released from prison on parole or mandatory supervision to complete their sentences in Texas communities. At the end of the fiscal year, August 2019, the Parole Division employed 1,344 officers. Of the 84,259 offenders under active supervision at fiscal year-end 2019, 80,833 were supervised on non-intensive (regular and specialized) caseloads, 1,654 on intensive caseloads and 1,772 on super-intensive caseloads.

Texas Board of Pardons and Paroles

The Texas Board of Pardons and Paroles (BPP) was created in 1936 by an amendment to the Texas Constitution. The BPP determines which offenders are to be released on parole or discretionary mandatory supervision, the conditions of parole and mandatory supervision, the revocation of parole and mandatory supervision, as well as recommending the resolution of clemency matters to the governor. Parole commissioners are employed by the BPP to assist in fulfilling these responsibilities with the exception of recommending the resolution of clemency matters to the governor, which is the responsibility of board members.

The BPP members serving as of August 31, 2019, follow below:

<u>Name</u>	<u>City</u>	<u>Term Expires</u>
Mr. David G. Gutierrez, Presiding Officer	Gatesville	02/01/2021
Ms. Carmella Jones, Member	Angleton	02/01/2025
Mr. Fred Solis, Member	San Antonio	02/01/2021
Mr. James W. LaFavers, Member	Amarillo	02/01/2023
Mr. A. D'Wayne Jernigan, Member	Huntsville	02/01/2025
Mr. Brian Long, Member	Palestine	02/01/2023
Mr. Ed Robertson, Member	Austin	02/01/2021



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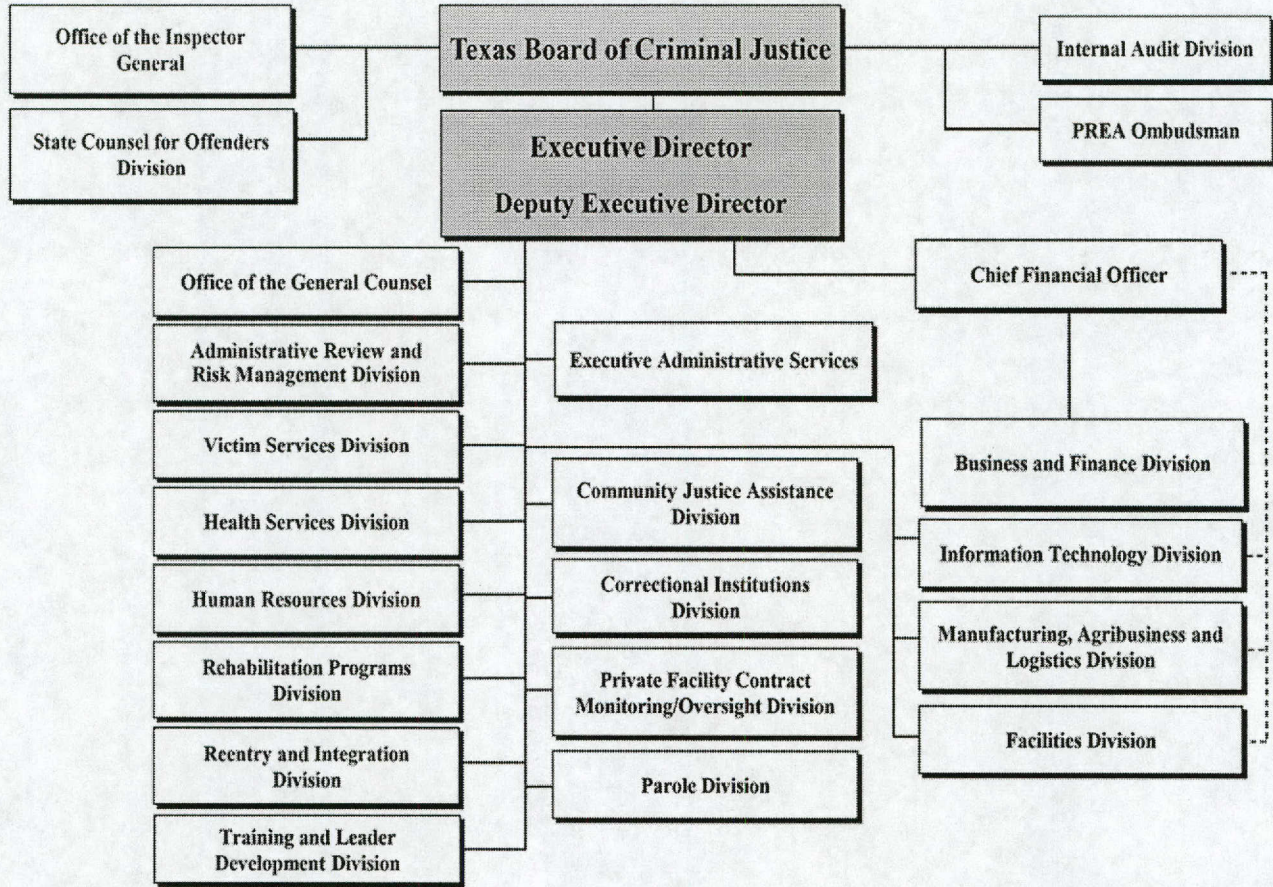
Administrative and Key Personnel

<u>Name</u>	<u>Position Title</u>
Collier, Bryan	Executive Director
Mendoza, Oscar	Deputy Executive Director
McGinty, Jerry	Chief Financial Officer
Clark, Jason	Chief of Staff
Lumpkin, Bobby	Director, Manufacturing, Agribusiness and Logistics Division
Inmon, Frank	Director, Facilities Division
Neely, Melvin	Chief Information Officer
Thielke, Pam	Director, Parole Division
Davis, Lorie	Director, Correctional Institutions Division
Ginsel, Cody	Director, Private Facility Contract Monitoring/Oversight Division
McCown, Angie	Director, Victims Services Division
Zamora, April	Director, Reentry and Integration Division
Linthicum, M.D., Lannette	Director, Health Services Division
Garcia, Patty	Director, Human Resources Division
Howell, Sharon	Director, General Counsel
Scott, Kelvin	Director, Administrative Review and Risk Management Division
Hinojosa, Rene	Director, Rehabilitation Programs Division
Green, Carey	Director, Community Justice Assistance Division
Cirrito, Christopher	Director, Internal Audit Division
Persich, Giustina	Director, State Counsel for Offenders Division
Love, Cris	Director, Office of the Inspector General
Yebra, David	Director, Training and Leader Development Division



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**ORGANIZATIONAL STRUCTURE**



----- Coordination



